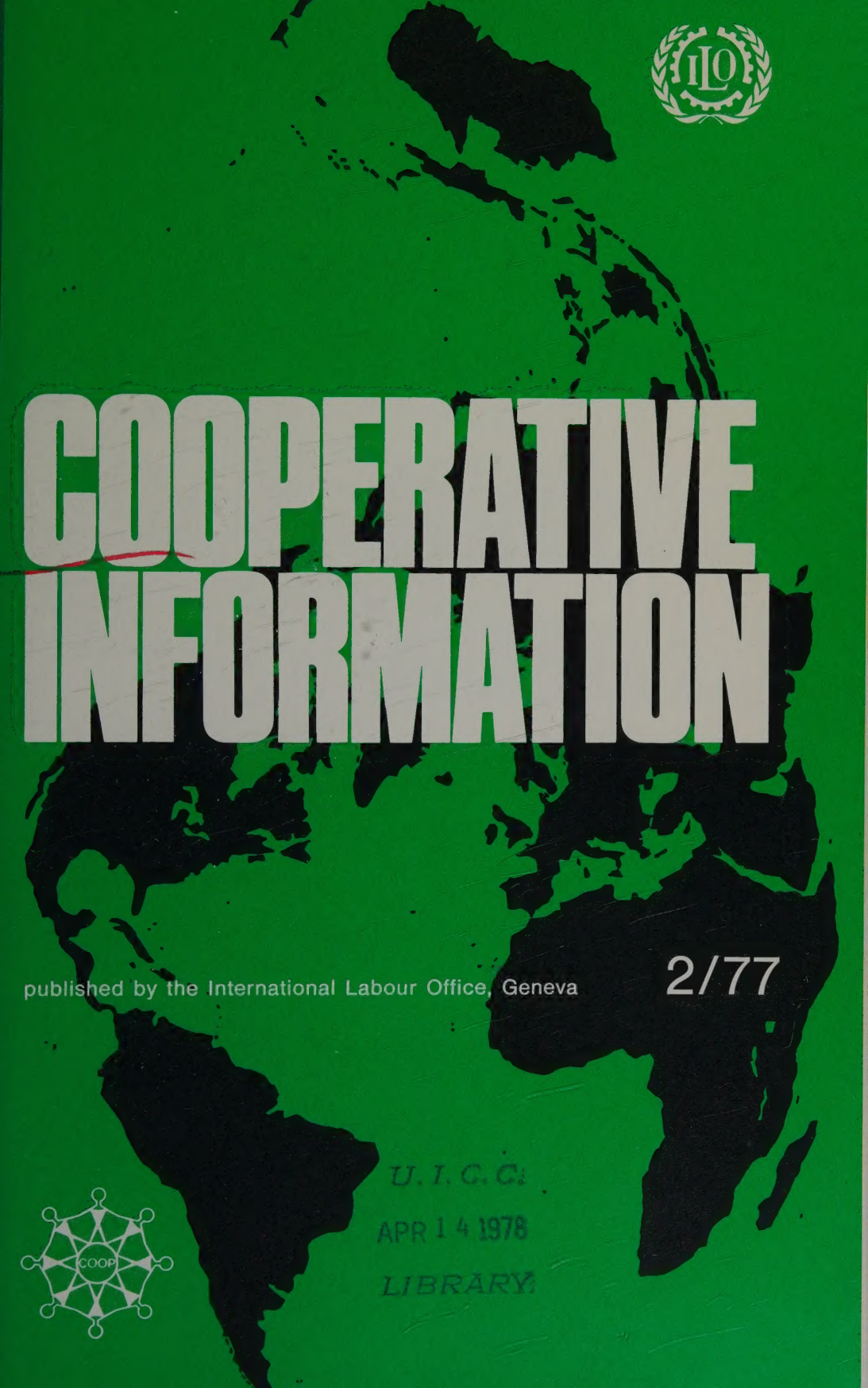

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Cooperative Information

53rd Year

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International
INFORMATION

Food and Agriculture Organisation (FAO)

Proposed Creation of an International Fund for the Fight against Food Losses after Harvesting

In May 1977, the Director-General of the FAO (Food and Agriculture Organisation) proposed the creation of a fund enabling action to be taken to reduce the losses after harvesting in poor countries.

According to the FAO, a reduction of 50% of the loss simply in food cereals would represent a saving of aroung 40 million tons, enough to feed millions of people and make up for 50% of the imports planned for by developing countries. Still according to the estimates of this organisation - and bearing in mind that these can only be rough estimates as world statistics are too incomplete - the world losses would correspond to:

- as regards fish, several millions of tons ayear;
- as regards vegetables, 30% of the tonnage produced;
- as regards cereals, 20% of the tonnage produced, i.e. the present average percentage of waste or loss in food products in the world.

Mr. Saouma suggested that this fund be constituted with an initial capital of US dollar 20 million.

The problem of the fight against losses and wastage is closely linked to that of the logical and judicious organisation of stocks of food products by an increasingly generalised utilisation of proven techniques. Better conservation would also allow the regulating of markets for these products by eliminating seasonal variations and by constituting sufficient stocks which, according to the FAO, should correspond to two or three months' consumption, a level which is at present far remote.

Among conservation techniques which should be better utilised, refrigeration and freezing are among the most important. Already in 1975, of the three million tons of food products exchanged throughout the world, half were in cold storage. But the present conservation capacity of products by this means is still very insufficient, particularly in the developing countries. The international fund for the fight against food losses after harvesting could help the governments and institutions concerned in these countries to act in this field where the cost of necessary investments is very heavy but where very interesting activities have already been undertaken, such as the conservation of potato seed in India, and the freezing of sea food in Thailand.

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International Association Futuribles

The International Association Futuribles is 10 years old, having been created in 1967 to continue the work undertaken by the International Committee set up in 1960. It was reorganised in 1970 with the "Centre d'études prospectives" created by Gaston Berger, and again in 1971 with the "Centre de recherche sur l'évolution des entreprises", founded by F. Bloch-Laîné; in 1975, it took over the long-term activities which B. and H. de Jouvenel had developed in the "Société d'études et de documentation économiques, industrielles et sociales" In addition, it maintains close contact with the "Fondation Claude Nicolas Ledoux pour les restrictions sur le futur" and with Revue 2000.

The Association at present has a membership of over 100, spread through 45 countries, and its Board of Directors comprises 35 persons of various disciplines and nationalities. The permanent headquarters of the Association is directed by a Secretary-General who, since 1974, has been H. de Jouvenel.

The aims of the Association are:

- to serve as an information, documentation and analysis centre for studies on the future (collection, evaluation and comparison of opinions and data);

- to promote and undertake research on the facts, ideas and opinions on which the future of our societies depends and to propagate all ideas likely to contribute to social progress.

These objectives, which are intentionally expressed in very general terms, imply a wide range of activities (watch-tower, forum, assistance in decision making, evaluation and synthesis) permitting the building up of a vast storehouse of knowledge and an international network of experts in widely varying disciplines.

Although the Association has a permanent staff of only eight persons, it has over 200 collaborators. Moreover, it has at its disposal for social perspective studies many sources of information and means of analysis such as:

- a specialised library containing about 3,000 works on perspective studies (theories, methods, applications);

- a documentation service possessing 40,000 cards based on the systematic and continuing scanning of about 100 periodicals and a mass of published or unpublished French and foreign studies;

- archives containing documents dealing with activities throughout the world over the past 20 years related to research on the future;

- a card index on about 5,000 researchers and institutes.

The Association's programme can be broken down under the four headings: information and consultation: continuing analysis of data, regular organisation of round-table and symposia; these comprise research on social objectives, social schemes or factors contributing to permanency or change.

The main projects in hand include:

- as regards perspectives and decision: the long-term dimension in public affairs;

- as regards participation: public discussions and collective choices;

- as regards social dynamics: the process of innovation and change;

- as regards advanced research: a global analysis of the main forms of change and their economic and social implications.

- Training functions resulting in many localised operations in France and abroad involving three types of regular activity:

- perspective symposia and workshops intended essentially for senior executives and managers;

- public forums to popularise perspective activities and promote exchanges of views between the public and experts;

- the production of educational equipment: design and production of any tool likely to result in a better understanding of the pluridisciplinary and perspective dimension of the major social problems and contribute to their solution.

- Publications: the Association publishes:

- the quarterly review "Futuribles";

- a bilingual, French and English liaison bulletin; eight numbers annually of "Futur informations";

- reports on research;

- the special number of "Futuribles" bearing the title "Innovation sociale pour quoi faire?" published in 1976 contains three articles of direct interest to co-operators:

- "Les consommateurs à l'école", description of the first French consumers' school, created by the Union des coopérateurs de Lorraine (Nancy, France);

- "Un village en coopérative, Bourbach-le-Haut" (Haut-Rhin, France), in which the co-operative does not merely provide all inhabitants with consumer goods, but also organises services such as school transport, worker transport, refuse collection, snow clearance, the setting up of a "home for highlanders", the opening of a petrol station, a tobacco shop, the organisation of newspaper distribution and the provision of various services by the rental of equipment. It should be noted that from the legal point of view the Bourbach-le-Haut co-operative had to modify its statutes, as a result of which it changed from a consumer co-operative to a consumer and development co-operative. This article also deals with the problems faced by the co-operative at present, the solution proposed and future prospects;

- "Un village pour espérer", the only scheme in Europe for physically handicapped craftsmen, which, when it was created in 1969, took the form of an association of the "1901 Act" type and has now become a craftsmen-type co-operative comprising six workshops (small precision mechanics) manufacturing festival items, wood craft articles, cigarette lighters, doing printing work, and producing pottery and enamels).

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United Nations Industrial Development Organisation (UNIDO)

UNIDO and Polish Union of Work Co-operatives agree on Joint Programmes

DEVELOPING COUNTRIES TO BE HELPED BY PROMOTIONAL EFFORT, TRAINING AND TECHNICAL ASSISTANCE

An agreement for joint efforts on behalf of developing countries was signed today by Dr. Abd-el Rahman Khane, Executive Director of the United Nations Industrial Development Organisation (UNIDO) and Dr. Bohdan Trampczynski, President of the Polish Central Union of Work Co-operatives. The two organisations have previously been associated in two training programmes and the collaboration is now to be expanded.

Poland's system of co-operative industries has developed to the point where about 12 per cent of the working population, or more than 810,000 people, are now sharing the benefits of manufacturing goods. Other countries are showing increasing interest, and some of them, including Kenya and Nicaragua, have already received help from Poland and engaged in partnership operations.

UNIDO/Central Union will combine efforts this year, as a beginning of their new links, in two events in Poland and a mission to two other countries. At a promotion meeting to be held in Warsaw during November, senior Government Officials from 20 developing countries are being invited to discuss the role of co-operatives in the industrialisation process and of governments or intergovernmental agencies in developing the system.

The other event, also in Warsaw, is the third in-plant training programme to enable nominees of governments of developing countries to obtain first-hand experience.

Also this year UNIDO and the Central Union will arrange a joint preparatory mission to Turkey and Nigeria, the object being to identify areas for further assistance and prepare a programme of action. The Polish side has agreed to furnish consultants at short notice and pay their air fares.

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International Labour Office (ILO)

63rd Session of the International Labour Conference

(a) ADOPTION OF NEW INTERNATIONAL STANDARDS

The International Labour Conference, which met in Geneva from 1 to 22 June 1977, under its president Mr. Joy Kobla Amedume, Minister of Labour, Social Affairs and Co-operatives of Ghana, adopted new international standards to promote better employment conditions for nurses and a healthier working environment for everyone.

A Convention and a Recommendation aimed at generating national action for better working conditions for nurses

First discussion at last year's 61st Session had concluded with agreement for a Recommendation only. However, a workers' proposal at this year's session got enough support from government delegates for the drafting, and for adoption of a Convention - a legal agreement designed to enable nurses "to enjoy a status corresponding to their role in the field of health".

Both texts were finally adopted.

In particular, the Convention states that ratifying countries will take measures to provide nursing personnel with "education and training appropriate to the exercise of their functions, and conditions of employment and work conditions, including career prospects and remuneration, which are likely to attract persons to the profession and retain them in it".

Measures such as these would be aimed at dissipating a growing crisis in the nursing profession. Low pay, too much work, frustration in the calling have resulted in discontent, and shortage of personnel. Drafted in collaboration with the World Health Organisation, the ILO instruments will try to ease the crisis in the profession with guidelines for better pay, shorter working hours and job satisfaction. Nurses, known everywhere for their patience and sense of duty, in recent years, and for the first time in their history, have gone on strike in several countries in defence of their occupational, moral and economic interests. Yet, the modest aim set for the Second Development Decade of one nurse for every 5,000 inhabitants and one auxiliary for every 1,000 will not be attained in a number of countries.

The Convention calls for measures for participation of nursing personnel in the planning of nursing services, and for consultation with nurses on decisions concerning them. Conditions of employment and work preferably would be made by negotiation between employers' and workers' organisations concerned. Settlement of disputes concerning terms and conditions of employment should be sought through negotiation between the parties, "or, in such a manner as to ensure the confidence of the parties involved", through independent and impartial machinery such as mediation, conciliation and voluntary arbitration. In any case, the Convention states, nursing personnel should enjoy conditions at least equivalent to those of other workers in the country, in terms of hours of work, weekly rest, paid annual holiday, educational leave, maternity leave, sick leave and social security.

The Recommendation covers the range of problems of nursing personnel posed by employment and conditions of work and life, including policy concerning nursing services and nurses, education and training, practice of the nursing profession, participation, career development, remuneration, working time and rest periods, occupational health protection, social security, and international co-operation. Only through co-ordinated action in each of these areas can conditions of nursing personnel be improved in a lasting way.

Of special interest in the field of human rights is the provision in the Recommendation by which nursing personnel should be able "to claim exemption from performing specific duties, without being penalised, where performance would conflict with their religious, moral or ethical convictions". They should inform their supervisor in good time so as to allow for alternative arrangements so that essential nursing care is not affected. This is the first time that such a "conscience clause" appears in an ILO instrument.

Other provisions of the Recommendation are the following:

- national legislation "should prescribe the basic requirement regarding nursing education and training" and provide for its supervision;

- continuing education and training, both at the workplace and outside, should be an integral part of the training programme;

- national legislation "should specify the requirements for the practice of the nursing profession" and "limit the practice of the profession to duly authorised persons";

- participation of nursing personnel in the planning and in decisions concerning national health policy in general, and concerning their profession in particular, should be encouraged at all levels;

- settlement of disputes should be sought by means indicated in the Convention, "with a view to making it unnecessary for the

organisations representing nursing personnel to have recourse to such other steps as are normally open to organisations of other workers in defence of their legitimate interests";

- remuneration of nursing personnel should be fixed at levels which are commensurate with their socio-economic needs, qualifications, responsibilities, duties and experience. It should take account of the constraints and hazards inherent in the profession, and be likely to attract persons to the profession, and bear comparison with that of other professions requiring similar or equivalent qualifications and responsibilities;

- normal daily hours of work should be continuous and not exceed eight hours. In any case, the working day, including overtime, should not exceed 12 hours;

- the weekly rest period should in no case be less than 36 uninterrupted hours.

An annex containing suggestions for practical application is attached to the Recommendation.

New international standards to curb hazards from air pollution, noise, vibration

A Convention and a Recommendation calling for action by governments to protect workers against hazards due to air pollution, noise and vibration were also adopted by the Conference. Workers today may be exposed to an ever-growing variety of physical, chemical and biological agents that are possibly harmful.

Some 15,000 chemical compounds are widely used in industry, agriculture and commerce; only a small fraction have been thoroughly investigated as to their effects on human health. Manufacturing accidents throughout the world total about 160,000 a day, and there are some 100,000 deaths a year.

The Convention calls for measures at the national level "for the prevention and control of, and protection against, occupational hazards in the working environment" due to these three factors. Together the two instruments provide governments with a range of action to combat these hazards.

The Convention says that as far as possible the working environment should be kept free from any hazard due to air pollution, noise or vibration. This should be attempted by use of technical measures in the design of installation of new plants and new processes. Similar measures could be added to existing plants or processes. If these are not possible, supplementary measures of work organisation should be taken.

It calls for criteria for determining hazards of exposure to air pollution, noise and vibration, and for the setting of limits to exposure on the basis of these criteria.

Where technical and organisational measures do not make it possible to keep the hazards within the required limits, protective measures should be taken such as provision by employers of personal protective equipment.

Use of processes, substances, machinery and equipment that involve exposure to occupational hazards should be notified to competent authority, which may authorise the use, on prescribed conditions, or prohibit it.

The Convention calls for as close a collaboration as possible at all levels between employers and workers in putting its measures into effect. It also stipulates that competent government authority should act in consultation with the most representative organisations of employers and workers.

Employers are made responsible for compliance with the prescribed national measures. Workers are required to comply with safety procedures.

The Convention also calls for supervision at suitable intervals of the health of workers exposed or liable to be exposed to these three occupational hazards. This would include a preassignment medical examination and periodical examinations.

The Convention applies to all branches of economic activity, but ratifying countries may exclude particular branches after consultation with employers' and workers' organisations concerned. After such consultation, they may also accept the obligations separately in respect of each of the three hazard areas.

To help governments and organisations concerned to protect workers against the deleterious action of noise and vibration, the ILO has published a Code of Practice entitled "Protection of Workers Against Noise and Vibration in the Working Environment" (ILO, Geneva, 1977) which sets out the principles which should be followed for the control of workplace noise and vibration, and contains information for setting up control programmes in individual plants. The Code of Practice resulted from the work of a meeting of experts convened by the ILO on noise and vibration on the workplace and deals with such matters as noise measurement and assessment, noise limit levels, vibration measurement and vibration limits, risk areas, controls in new equipment, protective equipment, health supervision and monitoring.

(b) HUMAN RIGHTS AND OTHER PROPOSED INTERNATIONAL STANDARDS

In the field of human rights, the Conference underlined the importance of freedom of association and non-discrimination as basic principles of the International Labour Organisation's Constitution. It called in a resolution for more effective procedures for supervising ILO Conventions and Recommendations so as to ensure speedy

action in cases where freedom of association is impaired, particularly where human life is in jeopardy.

Finally, a first round of discussions was held on proposed standards to be completed next year on labour administration, and on freedom of association and procedures for determining conditions in the public service.

(c) COMPENSATION FOR LABOUR EXPORTERS PROPOSED BY JORDAN CROWN PRINCE

A new international fund to compensate labour exporting countries for losses arising from the outflow of manpower has been proposed by H.R.H. Crown Prince Hassan of Jordan. Speaking as the guest of honour at the International Labour Conference, Prince Hassan said that the proposed International Labour Compensatory Facility (ILCF) could draw its resources principally from the labour importing countries. The resources of the new fund, to be constituted along the lines of the trust fund for compensatory facilities of the International Monetary Fund (IMF), would be drawn upon by the labour exporting countries in proportion to the losses incurred.

Pointing to the cost of producing skilled manpower and the increasing shortage of skilled workers, Prince Hassan noted that "economic conditions should be, but are not, tipping the exchange rate between labour and capital in favour of labour" since man was the primary factor in development and that capital occupied a secondary position.

To give labour exports the attention and the consideration traditionally accorded to capital transfers, there is need for an international agreement on the movement of labour whereby proper remuneration and treatment are ensured.

The proposal, would also ensure that labour contracts for the migrants include minimum decent treatment, wages and security. The scheme would apply not only to qualified manpower but to the "brain drain" of highly skilled personnel suffered by many developing countries.

The Prince pointed to the difficulties faced by developing countries in obtaining capital for social development projects. While it was generally recognised that material development loses its value if achieved at high social cost, the Prince believed that "although capital donors are not unaware of the need for such projects, they are often reluctant to finance them on the grounds that the projects are not self-liquidating".

In view of this, the Prince suggested that part of the funds from the proposed ILCF be used as soft loans to participating developing countries for the purpose of promoting and financing social projects. For many of these countries the benefits gained from social projects would not only lead to the amelioration of living

conditions but would also help narrow the gap between rural and urban centres, thus eliminating one of the major causes of the flight to the cities.

(d) NEW TYPES OF TECHNICAL CO-OPERATION

Ways of making technical co-operation more effective in helping the world's poorest workers were debated by delegates who were told in an ILO report that some 1,000 million people are still existing on about 3 US dollars a week each.

A separate resolution adopted by the Conference called on the ILO to reinforce the collaboration between governments, employers' and workers' organisations in member countries, both in carrying out technical co-operation and in supervising the observance of ILO Conventions and Recommendations.

(e) WORKING PARTY ON STRUCTURE TO CONTINUE

The Conference Committee on Structure considered four questions: Articles 7 and 36 of the ILO Constitution (on the composition of the Governing Body and on amendments to the ILO Constitution), the composition of the non-governmental groups, resolutions procedure and quorum.

The Committee's report was adopted. It proposed that the mandate of the tripartite Working Group on Structure be renewed and that it examine all questions of structure, particularly those which had been before the Committee, with a view to presenting a final report to the next session of the Conference.

(f) ADOPTION OF A TWO-YEAR WORK PROGRAMME FOR 1978-1979

The 126 delegations attending the annual International Labour Conference in Geneva voted 342 to 1, with 52 abstentions, to pass the US dollars 169,074,000 budget proposed for the two-year period 1978 and 1979. This represents a 2.74 per cent programme increase over the present biennium.

The Director-General of the International Labour Office stated that the programme will place greater emphasis on direct assistance to member States, particularly developing countries, by accelerating decentralisation of headquarters functions to developing regions, increasing technical advisory services and boosting technical co-operation funds by some 60 per cent.

In addition, funds for technical co-operation from sources outside the ILO budget are expected to amount to US dollars 86 million.

Overhead costs are being reduced, with a 4 per cent cut in funds for administration and a 25 per cent reduction in the volume of documents and publications.

ILO headquarters staff, at present numbering 1,590, will be reduced by a further 28 in 1978-79. This will represent a cut of 115 people since 1974-75.

135 STATES MEMBERS OF THE ILO

The following countries have joined the International Labour Organisation: the Republic of Guinea-Bissau (in February 1977), the State of Bahrain and the Seychelles (both in April 1977). This brings the total membership of the ILO to 135.

CANADIAN LABOUR LEADER ELECTED CHAIRMAN OF ILO GOVERNING BODY

Mr. Joseph Morris, President of the Canadian Labour Congress, was elected chairman of the International Labour Office Governing Body. He is the first chairman in the ILO's history to be chosen from outside the ranks of the government representatives in the tripartite body.

He succeeds Dr. Winfrid Haase of the Federal German Ministry of Labour and Social Affairs.

Professor Roberto Ago, Professor of International Law at the University of Rome and representative of the Italian Government, was named Government Vice-Chairman. Mr. Gullmar Bergenström, Chairman of the International Council of the Danish, Finnish, Norwegian and Swedish Employers' Confederation, was re-elected Employer Vice-Chairman of the Governing Body.

ILO APPOINTS AFRICAN ASSISTANT DIRECTOR-GENERAL

Mr. Sketchley Diamond Sacika, Permanent Secretary of the Ministry of Labour and Social Services of Zambia and who represented Zambia on the Governing Body of the ILO was appointed Assistant Director-General of the International Labour Office with effect on 16 May 1977.

Mr. Sacika will advise the Director-General on international labour affairs and counsel him on ILO programmes and activities in Africa.

NEW DIRECTOR AT THE TURIN INTERNATIONAL CENTRE

Mr. Raymond Milne was appointed, at the level of Assistant Director-General of the ILO, Director of the Turin International Centre for Advanced Technical and Vocational Training.

CHANGES IN THE MEMBERSHIP OF THE ILO PANEL OF CONSULTANTS ON CO-OPERATION (1)

Following upon their new assignment to other responsibilities abroad or in their own country, Mr. V. Khorin (USSR) and Mrs. B. Rog-Swiostek (Poland) have been replaced respectively by Messrs. O.J. Goudkov, Vice-Chairman of the Central Co-operative Council of the USSR (Centrosoyouz) and Janus Sovieszczanski, Director-General of the Central Union of "Peasant Self-Aid" Co-operatives.

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(1) Cf. list published in No. 2/76 of "Co-operative Information", p. 102-104.

United Nations Education, Science and Culture Organisation (UNESCO)

International Symposium on "The Free Exchange of Information and Communications between Industrialised and Developing Countries"

In its final resolution of November 1976, the General Conference of the United Nations Education, Science and Culture Organisation (UNESCO) had "invited the Director-General to carry out new and wider consultations with experts with a view to using mass media to reinforce international peace and comprehension".

As a result, the Director-General of UNESCO invited the managers of news agencies, newspaper editors and those responsible for radio and television services on the five continents, to study during a symposium which was held in Florence from 18 to 20 April, 1977, how the flow of news from developing to industrialised countries can be improved.

It has been proved that, with their advanced technology and their financial resources, the industrialised countries have the virtual monopoly of international news-gathering which produces several "anomalies". The first of these, and without doubt one of the most serious, lies in the fact that developing countries do not gather news on their own situation in their own countries, but from the industrialised countries. The reverse would be logical and normal, and could only improve the flow of news within the developing countries.

If they themselves gathered the news which concerns them they would not threaten the international news agencies, but, on the contrary, would make their work easier.

The problems of co-operation in the development of means of national news-gathering were also examined during the symposium. It seems, in fact, that in order to make the best use of national resources as regards news, a certain form of "co-operation", at once technical and financial, needs to be set up.

The problem of the status and protection of journalists in the carrying out of their work, with the guarantee of their objectivity, was also mentioned.

The debates and reports of this symposium will be studied by a "working party" composed of international specialists and set up by the Director-General of UNESCO to assemble the conclusions of

the various symposia discussing news and communications problems. This working group will present a report on this subject at the next general conference of UNESCO which will take place in the autumn of 1978.

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NDLR: The Working Party on Co-operative Press of the ICA has, for its part, considered these questions several times since 1970 and has begun to give its support to the development of a national co-operative press activities (study tour in Europe by an African co-operative journalist). The Co-operative Branch of the ILO has, on its side, in collaboration with this working party, published a pamphlet entitled "The Why and How of Producing a Co-operative Newsletter" (ILO, Geneva, 1975, 55 pages).

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United Nations Organisation

United Nations Conference on Water

The United Nations Conference on Water, held at Mar del Plata (Argentine) attended by 1,200 participants, ended on 25 March, 1977, with the adoption of a series of resolutions aiming at drawing up the general guidelines for the action to be taken at world level in order to face the shortage of water which seems to be likely to occur. These resolutions are assembled in a document entitled "Recommendation of Mar del Plata".

The main result of the Conference was to have water considered as a specific problem and not only as one of the questions posed by agriculture or health, for instance.

The aim is to organise and control the conservation of water which is at present often wasted in certain areas and in various sectors, whereas more than two-thirds of the inhabitants of this planet have no access to drinking water (cf. graph below).

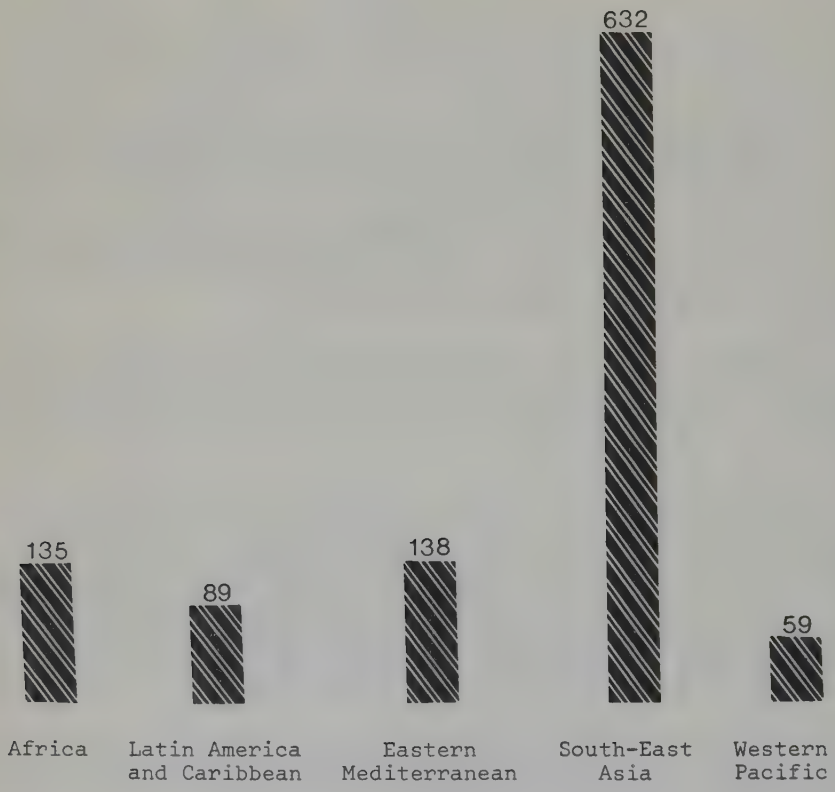
The demand for water varies considerably because, if each person in the United States uses 8,000 litres of water per day (for all purposes, including industry), and in France 1,700 litres, in a large number of developing countries, the consumption per person barely reaches 50 litres.

The amount of available water on the planet seems considerable (1,360 million km3) and remains more or less constant. But, on the one hand, stocks of soft water represent only 0.65% of the total water resources (the oceans comprise 97.2% and the polar caps 2.2%) and, on the other hand, pollution and the increase in world population reduce each year the percentage of water suitable for human consumption. Thus, it is estimated that from 1977 until the year 2000 humanity, which already needs each year 1,000 thousand million cubic metres of water, will multiply its consumption by 5.

In addition to fighting against pollution, an effort is to be made to mobilise the necessary quantities of water by means of adequate arrangements and to use the available water under the best conditions (notably in agriculture).

The Conference also emphasized that the choices relating to the mastering of water are linked to development policies and that the organisation of co-operation as regards water is proving indispensable.

Rural population with no access to drinking water
(in millions of inhabitants) (1)



(1) Source: Dimension 3, March/April 1976, p. 2, Brussels, Administration générale de la coopération au développement.

General

North-South Dialogue

From 30 May to 2 June, 1977, more than 40 ministers representing 35 countries - 19 developing on the one hand, and the United States, Japan, Canada, Spain, Sweden, Australia, Switzerland and the 9 EEC countries on the other - discussed in Paris (France) the problems created by the establishment of a new international economic order.

An annex to the final document of the "Conference on International Economic Co-operation" (CIEC) forming an integral part of the basic document, gives the list of points on which there was agreement and disagreement between the two groups of countries represented. The statement published at the end of the conference shows that the participants considered the latter as a step in the current dialogue between developed and developing countries, but that this dialogue should be actively pursued within the framework of the United Nations and other appropriate organisations. In any event, the participants have decided to transmit the report of their work to the 31st session of the General Assembly of the United Nations, when it resumes, and to other interested organisations.

Decisions were, however, taken on the principle:

- of a "special action" assistance to be granted by the industrialised countries represented at the Conference to the least-favoured developing countries, rising to a total of one thousand million United States dollars;

- of the creation of a common fund for the stabilisation of prices of raw materials to be set up as a key instrument to help achieve the objectives (to which the industrialised countries have agreed) of the integrated programme for basic products, presented by the developing countries. Negotiations as regards, the form, the operation and the financing of the fund, which should eventually amount to US dollars 6 thousand million, will start in November, 1977, within the framework of the United Nations Conference on Trade and Development (UNCTAD);

- of maintaining development assistance at a minimum level of 0.7 per cent of the gross national product of those industrialised countries achieving this level, while the remaining industrialised countries have agreed to increase their contribution progressively and substantially.

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Ecumenical Development Co-operative Society

Created at Rotterdam (Holland) on 4 November, 1975, by the World Council of Churches and the Dutch Council of Churches, the Ecumenical Development Co-operative Society (EDCS) seems for the time being to belong more to an idea or a dream than to reality.

Its present Board of Directors, nominated by its founders, still remains, however, provisional. No general meeting of the members has yet been held. The reason for such a situation is the unanimous decision, taken in August 1974 by the Central Committee of the World Council of Churches, godfather to the EDCS, when the decision was taken to create it: EDCS would not become really operational until the subscribed capital reached at least US dollars 5 million.

In February 1976, 90 churches and church related bodies, of which more than half are situated in Africa, Asia and Latin America, agreed to donate approximately US dollars 1 million. In August 1976, having taken note of this, a new Central Committee of the World Council of Churches decided to drop the condition previously set forth, thus authorising the EDCS to start functioning with reduced initial resources.

EDCS is therefore at its practical organisation phase within the framework of its statutes, which are those of a co-operative under Dutch law and do not contain any important legal particularity.

At the time when EDCS will probably begin operations, it is interesting to consider the particular objectives of this co-operative, and the methods, also specific, intended for its functioning.

EDCS claims to be a "Development Bank", drawing its long-term funds from the mobilisation of those of the churches and religious institutions which have an identical view of the aims and processes of development, in order to bring financial and possibly technical assistance to groups of people or organisations seeking to achieve by means of various projects the type of development to which EDCS is attached.

The collection of funds coming either from members or from various individuals or organisations will be used in the following ways:

- for the granting of long-term loans, guaranteed or not, and at varying interest rates;

- for the purchase of equity in enterprises;

- for the provision of security for loans made by others;

- for grants and loans to finance project feasibility studies, planning and technical training, etc., out of funds which are not paid-up share capital or borrowed money - that is, grants and income.

EDCS will therefore be a financial institution different from commercial banks by its objectives and by its methods.

There are four basic considerations before deciding whether to make a loan or to give a subsidy to help development:

- EDCS' principal funds will not themselves be granted as gifts, but as shares in its capital or deposits;

- the churches and religious institutions have already put in place a complete system and network for distributing gifts and subsidies;

- in most cases, it has been proved that the taking in hand of their own interests by groups of individuals carrying out a project is faster and certainly more complete if the funds received have to be repaid;

- the repayment itself ensures a recycling and renewing of funds and thus feeds a continuous process as a result of which other groups can in turn receive loans.

The difference with other financial institutions comes from the fact that the lender will not impose his conditions on the borrower. EDCS wants to create between the beneficiaries of its loans and itself a dialogue which will allow it to define not only the conditions for reimbursement and the rates of interest but also the means by which projects financed under the best conditions will be realised. In this respect, EDCS intends to insist that it is the borrower who will decide the necessary arrangements to be made so that the least-favoured classes (in rural zones especially) are the first and principal beneficiaries, and participate effectively in their undertaking. These projects could affect all sectors, but EDCS' golden rule will be to work with the poorest communities, groups and individuals.

The co-operative society form was chosen by the promoters to establish another dialogue, within the institution itself, between rich organisations of developed countries and poor institutions of developing countries, each one diposing of only one vote at meetings and councils, irrespective of the amount of shares subscribed.

The development of the activities of this financial co-operative society existing under Dutch law but with an international perspective (art. 2 of the statutes), of which there seems to be no other example in the world, will certainly be followed with great interest by the co-operators.

Joint Committee for the Promotion of Aid to Co-operatives (COPAC)

International Symposium on the Changing Pattern of Co-operative Development

Under the auspices of the Joint Committee for the Promotion of Aid to Co-operatives (COPAC) and with the financial support of American, Canadian and Dutch institutions, an international symposium on the changing pattern of co-operative development was held at Wageningen (Holland) from 14 to 19 March, 1977. Sixty-four participants attended from 34 countries from Africa, Asia, Europe and North America, as well as representing 19 international organisations.

The meeting was opened by the President of the International Co-operative Alliance, R. Kerinec, who spoke of the "co-operative enterprise in the new world economic order: a practitioner's view". Referring to the first topic to be discussed, i.e. the new dimensions of development assistance, with particular reference to co-operatives, the President of ICA concluded by asking: "If the Rochdale Pioneers were to face today the problems of the developing countries, can we be sure that the spirit of mutual help and the determination to solve their own problems which animated them would take the form of the Rochdale principles as we know them?" Then, with reference to the interaction of personal efforts and the role of the state in co-operative development, the speaker emphasised the necessity for co-operators to define the attitude they wished to adopt as a result of their experience, in order to obtain the necessary balance between the two components of a co-operative development, profitable to the nation at large and to the individuals concerned. As regards the harmonisation of aid to co-operators, at the national as well as international level, R. Kerinec wondered if "rivalry between agencies which draw their funds from the same sources is ... justified?".

Following a statement on "Co-operatives in the Netherlands", by C.G.A. Mertens, Chairman of the National Co-operative Council, other statements were made; followed by discussions, on:

- the new dimensions of development assistance, with reference to co-operatives;
- the inter-play of self-help and government assistance in promoting co-operative development;
- the involvement of women in development through co-operatives;

- problems of co-ordinating assistance to co-operative development at national and international levels.

After the presentation of the group reports followed by discussions, R. Savary, ex-Secretary-General of IFAP (International Federation of Agricultural Producers) drew the conclusions of the symposium and presented a draft declaration which was then submitted for approval to the participants.

The conclusions which stand out are:

- there is need as great as ever for the clarification, broadening and adaptation to developing countries circumstances of the methods and practices of co-operative action;

- necessary steps should be made to avoid the bad usage of the term "co-operative" in particular by means of improving the education of public opinion;

- errors and failures that may have occured should be henceforth eliminated by the establishment of closer relationship between ministries, civil servants, and government agencies and services, on the one hand, and co-operators on the other hand;

- co-operative leadership and expertise should pay more attention within the framework of national development to planning and programming for co-operative development;

- it is indispensable that co-operatives should be effectively considered as specific organisations and not as mere components of the overall administrative machinery;

- the government services concerned should envisage the progressive transfer of their responsibilities to the co-operatives, according to procedures already in use (as, for instance, in Pakistan);

- more attention should be drawn to the importance and quality of the contribution women can bring to development by their participation in the management and functionning of co-operatives in overcoming the "formidable obstacles" which confront them; among other means of action, it was underlined that co-operative by-laws should include provisions allowing for a minimum number of seats to be given to women on the co-operative councils and committees, as is provided for in recent Indian regulations;

- finally, as regards co-ordination of international assistance for development, agreement had been reached concerning aims, constraints and priorities. The participants emphasised the need for a better exchange of information between all the parties concerned, for a long-term programme exceeding the present framework of two to five years, for the harmonisation of adequate and specialised

assistance, bilateral or not, by country or by group of countries. They concluded that there would be need for a complete revision of the methods used at present in several countries, whether it concerned those who provide aid or those who receive it, but that it was proving necessary so that assistance may actually be used in the best conditions and for the objectives for which it was granted.

Co-operative INFORMATION

Declaration of the ICA

THE INTERNATIONAL CO-OPERATIVE ALLIANCE on the occasion of the 55th INTERNATIONAL CO-OPERATIVE DAY wishes all its affiliated members and all Co-operators every success in their tasks, and especially asks all Movements to focus their special attention at this time on helping to realise through their activities some of the salient findings of our 26th Congress.

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PEACE. In its Resolution on Peace the Congress stressed that there still continue to be regions of the world in which the seeds of tension exist, and that the threat to the peace and security of nations exists in many countries practising racialist policies. Congress also noted with great concern the continued existence of great inequalities of wealth. These are all areas where a wider application of Co-operative Principles, with their emphasis on service, economic order, the prerequisite for enduring peace.

✲

CONGRESS. The thinking of the 26th Congress was crystallised in its Programme of Work, 1977-1980, as being the need, first, for Co-operatives to become and remain efficient economic organisations through improved training and research programmes and increased inter-cooperation - sectoral, national, regional and international - in order to fulfil their role as a social force; and secondly, for a more effective projection of ICA's image as the standard-bearer of international solidarity and self-help in the economic and social fields.

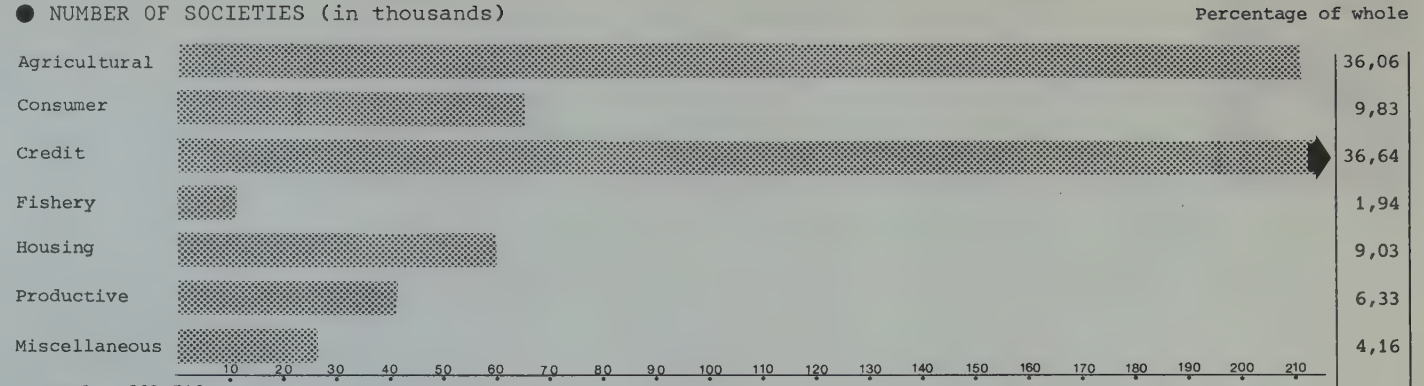
✲

The collaboration and support of all ICA members are vital for the implementation of this Programme.

✲

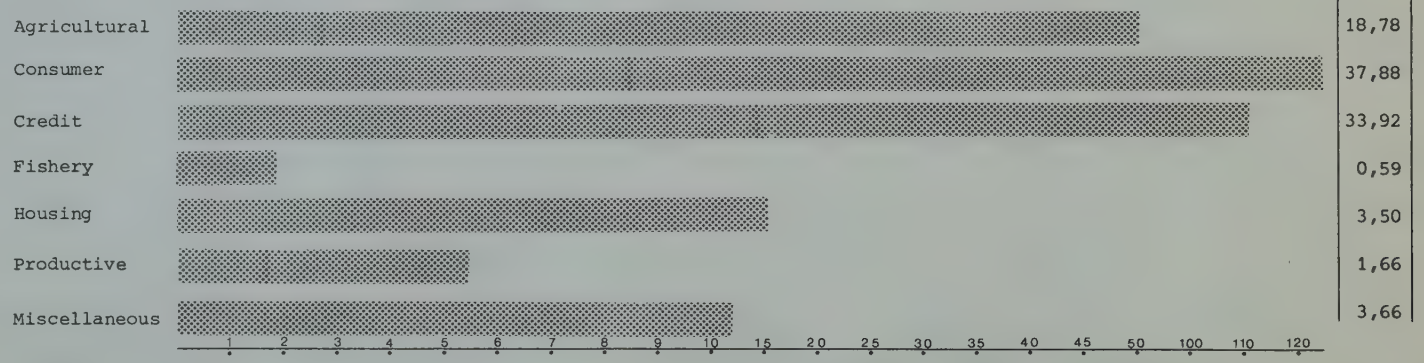
Summary of Statistics

● NUMBER OF SOCIETIES (in thousands)



Total : 663.510

● INDIVIDUAL MEMBERS (in millions)



Total : 332.355.154

ICA World Membership

AFRICA	
Cameroon (1)	37,220
Egypt	-
Gambia	71,467
Ghana	207,100
Kenya	643,867
Mauritius	31,031
Morocco	-
Nigeria	302,506
Tanzania	640,463
Uganda	995,564
Zaire	-
Zambia	50,123
	2,979,341

AMERICA	
Argentina	3,813,295
Canada	8,916,106
Chile	281,231
Colombia	158,797
Guyana (1)	29,085
Haiti	170
Peru	-
Puerto Rico	326,452
USA	46,716,000
Uruguay	149,326
	60,390,462

ASIA	
Bangladesh	4,209,686
Cyprus	204,551
India	71,573,739
Indonesia	8,492,197
Iran	2,412,946
Iraq	-
Israel	699,090
Japan	13,722,082
Jordan	10,512
Korea	2,336,189
Malaysia	1,217,161
Pakistan	1,631,965
Philippines	414,986
Singapore	63,377
Sri Lanka	1,905,184
Thailand	817,013
	109,710,678

OCEANIA	
Australia	3,410,478
Fiji	35,765
	3,446,243

EUROPE	
Austria	2,594,430
Belgium	2,273,713
Bulgaria	3,229,300
Czechoslovakia	3,896,904
Denmark	1,477,246
Eire	160,175
Finland	1,880,767
France	10,073,392
German Dem. Rep.	4,149,015
Germany, Fed. Rep. of	10,096,189
Greece	572,890
Hungary	3,844,777
Iceland	39,949
Italy	4,132,255
Malta	785
Netherlands	157
Norway	882,707
Poland	9,452,855
Portugal	3,877
Romania	13,526,698
Sweden	4,048,942
Switzerland	895,572
Turkey	4,230,166
United Kingdom	10,859,669
USSR	62,000,000
Yugoslavia	1,506,000
	155,828,430

(1) No longer in membership of the ICA
Notes: 1974 statistics, where available, have been used throughout.

COSTA RICA

Integration of the co-operative movement in Costa Rica: situation, prospects and future (1)

INTRODUCTION

In furtherance of section 35 (h) of Act No. 5185, relating to the functions of the National Co-operative Council, the text of which is as follows: "To promote closer and better relations among the different sectors and the central co-operative organisms", the Executive Secretariat has the honour to submit the following brief paper on some of the topics connected with the integration of the co-operative movement. The purpose of the paper is to guide the members of the National Co-operative Council, as representatives of the co-operative rank and file, in preparing standards and policies relating to this all-important question, and in supervising their implementation. The Secretariat considers that the structures vital to the operation and full development of the co-operative movement cannot be adequately consolidated unless the foundations of genuine co-operative integration are laid beforehand.

At the end of this paper, when delegates will have had time to read it and familiarise themselves with the subject, a space will be left for any additional annotations they may wish to make. Our purpose is to ensure that, when the time comes to formulate policies on this burning topic, they will be as realistic as possible and in conformity with the aims we have set ourselves.

The importance and desirability of co-operative integration

Section 3(f) of the Act respecting co-operative associations and the setting up of the National Institute of Co-operative Promotion, No. 5185 of 1973, states:

All the co-operatives in the country must conform strictly to the following principles and standards: ... (f) promotion of co-operative integration.

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(1) Paper presented by the Executive Secretariat to the members of the National Co-operative Council with a view to the preparation of standards and the policies for co-operative integration, by José Roberto Rodriguez Quesada. Spanish original.

The integration of second degree co-operatives will play a far more important role in the co-operative movement of the future than it has done hitherto.

The most serious competitors of the co-operative movement at present are capitalist organisations, which are integrated horizontally and vertically. These undertakings, which use the instrument of modern technology, will tend to continue developing into monopolies and oligopolies on both national and international markets, forming new units known as economic communities. **The co-operative movement must become concentrated in larger units** and must systematically and unreservedly apply, from local to international level, the principle of co-operation between co-operatives in order to increase its size and to combat monopolies with success.

For this reason it will have to avoid excesses and one-sided interpretations which offer an easy way out of difficulties; it must seek common ground on which co-operatives can unite to pursue their ideal of a better and more humane society. This presuposes not only relations between co-operatives of the same type, but also closer and more practical relationships between co-operatives of different types on all levels at which this is practicable. The idea of a co-operative sector of the economy is all too often an intellectual concept which has no roots in reality because of the lack of unity and cohesion between the different branches of the movement. It must be stressed that the rapid rate of economic development at the present time has reduced and is reducing still further the time available to the co-operative movement to demonstrate the value of its principles and methods. The world will judge the success of the co-operative movement by the contribution which it can make to the rapid raising of living standards. The whole of mankind is seeking - albeit blindly - the fundamental transformation of a system dominated by capital into one based on human dignity and equality. If it is faithful to its principles and has the courage of its convictions, the co-operative movement can demonstrate by its acts that it is possible in this world to achieve a society where man is the master of economic forces and not their slave. If the co-operative movement is to form a complete structure, either within each country or internationally, the various co-operative institutions must give each other wholehearted support. They must all join together in a common effort to attain the aims and ideals of the movement as a whole, and to reach **a stage at which conflicts, monopolies and unearned benefits are things of the past** (1).

Co-operatives will never constitute an organised movement, a cohesive and effective force capable of bringing about a co-operative transformation in the social and economic fields **unless they consolidate the principle of integration.**

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(1) Los principios cooperativos (Bogotá, ASCOOP), 1973, pp. 89-93.

Co-operative integration is not only necessary, it is also fundamental; to deny this and to adopt a passive attitude is tantamount to working against the principles and interest of the movement.

It is unfortunate that, despite the privileges granted to the co-operative movement by law, it is constantly outstripped by other movements or economic groups which are more aggressive and have greater powers of penetration, more dynamic management, more sense of "give and take" and a higher capacity for solidarity.

It will not be humanly possible to create a sound co-operative movement with permanent social, economic and educational structures, as long as each co-operative organisation tries to "go it alone". Anarchy, lack of authority and faulty co-ordination are among the main defects of the present co-operative structure in Costa Rica.

Since co-operative integration in our country is virtually non-existent, as 51 per cent of co-operatives do not participate in this process and the remainder have little faith in it or are dissatisfied with the services rendered for reasons which will be discussed later, any effort which can be made towards achieving integration will be highly beneficial.

In closing this chapter, we consider that we have demonstrated, albeit superficially, the importance of integration at all levels.

Causes and background of the integration of the co-operative movement in Costa Rica

Ib our view this chapter is one of the most important in the present paper, because a knowledge of the historical background of the workings of the integration process will enable co-operative leaders to form critical, objective and scientific opinions regarding the present situation and to work out the necessary remedial measures for the introduction of a new order which is vital to the co-operative movement. The system of integration at present applied in Costa Rica is due basically to the following circumstances, in order of priority:

- felt needs;
- disaffection, resentment and personal problems among leaders;
- unwarranted aspirations towards independence;
- the search for personal representation in major co-operative institutions;
- anxiety on the part of leaders;
- reasons of convenience;
- existing situations;

- the tendency of co-operative leaders to create higher bodies on impulse, without scientific knowledge of whether or not they are appropriate;

- the defence of vested interests;

- the efforts or stimulation of private or public institutions outside the co-operative movement.

This briefly gives us an idea of the way in which many co-operatives have grown up without any real planning; a number of integrating bodies were created in a similar fashion. If we take as a point of departure any geographical area in which some of these bodies are operating, we note that they have been created more on the impulse and initiative of their leaders than as the result of technical studies actually justifying their existence. Thus these organisms came into being with all their defects.

There is, however, no clear view of how, why and wherefore these organisations exist, for the reason that there has never been a clear cut policy to guarantee their existence on scientific grounds. Thus we see that such organisms, whose structure is very weak, carry on all kinds of activities and come into conflict with each other and with the co-operative themselves, with the result that the little integration that exists tends to become gradually weakened.

If co-operative leaders are incapable of putting an end to the permanent state of conflict in which they live, genuine co-operative integration will never be achieved in Costa Rica.

The degree of integration in co-operative sectors

Although we do not know whether it would have been the best time for integration, if we had rationally exploited historical circumstances whe- the first integrationist tendencies in the country began to develop and be discussed, we should now be enjoying the full benefits of integration, with a movement properly structured and consolidated in each of its activities. Our movement has, however, never rested on a reliable, rigorously scientific base and genuinely integrated planning; even today, when new first - and second - degree organisations have come into being, it has relied on stop-gap measures to solve the problems of the moment, which have been taken without proper studies of the situation. We have thus arrived at the limits of integration in a way which leaves no doubt that it has reached a dead end.

One might almost say that - apart from one well-defined co-operative sector, which is none the less experiencing serious problems of integration and which represents barely 0.08 per cent of all the co-operatives in the country - integration has had only a slight impact or hardly any impact at all in the view of national co-operative leaders. Nevertheless, from all that has been said so

far, we believe that a certain integration does exist between the different sectors, but that the way in which it is conceived and executed hampers its development. For example, only one co-operative, which is among the strongest in the country, has greater ascendency and a higher degree of social and economic penetration than certain central integrating organisms.

In our opinion, genuine penetration in this area requires more solidarity among leaders and a better understanding of the true essence of co-operation. At the present time there is more concern with finding solutions to isolated problems than an awareness of the major issues facing the co-operative movement in Costa Rica and society as a whole; these are the questions to which co-operation must find an answer before it is too late.

In order to gain an idea of the low rate of penetration of integration, all we need do is note its low level: only 49 per cent of co-operatives are registered as being integrated. This give evidence of the fact that many co-operatives are not interested in integration, and criticise it without recognising the advantages of integrating bodies; however, the facts that have to be borne in mind in any critical analysis of this lack of penetration lead to the conclusion that many co-operatives simply do not believe in integration for the understandable reason that many integrating organisations have fallen into discredit owing to their technical inefficiency.

The defects of co-operative integration

This chapter does not deal merely with the flaws and defects which have mounted up in the process of integration which has taken place in our country; the opportunity is also taken to speak of **some of its positive achievements**, which deserve mention even though, by reason of their isolated nature and, among other things, the lack of proper technical capacity to carry them out, they are not truly representative of the basic goals and ideals of integration.

We can thus list the following positive achievements:

- marketing;
- agricultural marketing;
- credits for small farmers;
- education;
- insurance;
- technical assistance;
- financing;
- representation;
- other achievements.

In our view, integration does not consist merely in grafting co-operatives on to traditional systems of affiliation with regional and national second-degree organisations and congratulating oneself on the number of associations existing at a given time.

In asking ourselves what are the present effects of integration, we shall merely attempt, in the limited space available, to list some of the major factors exerting a negative influence on its development.

- There is no planning of integration, either centrally or at the level of second-degree organisations according to the particular characteristics of each sector.
- Although activities are carried out with certain goals in mind they do not form part of any real programme.
- The limited resources of the sector are not utilised rationally.
- Wastage of human, technical, economic and other resources.
- Uncoordinated activities.
- Unfair competition among integrating bodies, between these bodies and co-operatives, and among co-operatives themselves.
- Lack of co-operative solidarity.
- Insufficient awareness of the nature of integration in the central co-operative organisations themselves.
- The variety of services offered, so that the reasons for which they were set up are lost sight of.
- Jealousy between co-operatives.

Why co-operatives do not believe in integration

Out of all the co-operatives in the country, 51 per cent report that they are not integrated with a second-degree organisation, and 49 per cent are affiliated to some of these organisations.

The co-operatives which oppose integration do so on the ground that the present system has produced no tangible results; those which have accepted representation by second-degree organisations say that it was because they originally believed that integration was desirable and necessary, but that technical and administrative inefficiency had aroused their dissatisfaction rather than their trust.

One might say that the very thing which is lacking today is integration itself, and in fact many leaders say that instead of co-operative integration there is co-operative disintegration.

To close this chapter, we feel that integration must be viable and express itself in concrete action and tangible facts.

CONCLUSION

Our purpose in submitting this paper has been to make a tentative analysis of a very delicate subject, all aspects of which raise difficult and awkward issues.

The members of the Council will doubtless expect to find in these Conclusions various solutions and recommendations considered appropriate by the Secretariat; we have, however, done no more than produce a tentative statement of the fact; leaving it to you to discuss them and to make authoritative recommendations as required in the light of your better judgement as those responsible for the destiny of the co-operative movement in Costa Rica. In our opinion it would not be appropriate for the Executive Secretariat to recommend action either on general issues or on points of detail, because we should be overstepping the limits of our competence.

The issue before us is so complicated that the combined efforts of co-operative leaders with powers of decision and technicians will undoubtedly be necessary to identify all the problems involved and find suitable solutions and recommendations. For this reason as well we feel that an analysis of what has been done and what should have been done, together with a reform of present structures and possibly their transformation, and pershaps even the introduction of new procedures, lies outside the powers of the Executive Secretariat, whose present role is merely to state as vividly as possible specific problems of the Costa Rican co-operative movement. It is the **earnest desire** of the Executive Secretariat that, thanks to the sound judgement and competence of the members of the National Co-operative Council, we shall be able to **identify** the problems of integrating the co-operative movement in Costa Rica, **examine them thoroughly and formulate sound policies which will be adopted by those whose powers of decision will enable them rapidly to institute a new integrated co-operative system, which is in itself perhaps the only source of all the integrated components of the Costa Rican co-operative movement.**

FRANCE

At the end of their 55th national Congress held in Strasbourg (France) from 8 to 10 June, 1977, the 500 delegates from consumer co-operatives adopted a general resolution outlining the direction which their activities should take during the coming two years.

Below is the text of the last two parts:

The Congress,

DECIDES that a manifesto shall be drawn up and published setting out the permanent facts of co-operative policy in the economic, social and cultural fields, and the conditions under which the movement can contribute to the democratic organisation of a fully independent society corresponding with the deep aspirations of consumers;

to this effect **REQUESTS** as of now:

- the recognition at all levels of the specific character and of the value of a century's experience in the management of enterprises by the co-operators represented by the movement as well as the importance of the economic and social functions it assumes within the nation;

- systematic participation in bodies where decisions of a public nature are taken.

The Congress requests the FNCC, the central organisations and the co-operative societies:

- at the financial level, not to engage any funds except under the strictest conditions and respecting co-operative solidarity;

- at the economic level, to pursue the development of their activities by insisting especially on the definition of strict and concerted commercial policies, notably as regards range, advertising and quality of the products, and after-sales service;

- at the level of the consumers' protection, to further develop the extension of the goods and services proposed, especially in the fields of leasure and culture, by the most appropriate means comprising possibly majority participation such as has recently been achieved by the FNAC;

- and to intensify the efforts deployed by the movement to improve the regulations concerning consumer affairs together with the organisation representing consumers and producers;

- externally, tu pursue and intensify the relations with traditional economic and social partners;

- at the national and international co-operative levels, to pursue and develop relations with other forms of co-operatives and through the ICA with foreign co-operative movements.

French original

GDR

Three decades of Consumers' Co-operatives of the GDR A contribution to the steady improvement of the living conditions of the working people (1)

December 18, 1976 marked the 31st anniversary corresponding to the date when consumer co-operatives again started to work for the interests of the working people of the socialist German Democratic Republic. Three decades in the 130-year-old history of our organisation is a relatively short period of time. But, in order to take stock of the achievements of a co-operative organisation, the significance of the events and the magnitude of the changes brought about during this period must be taken into account. From this aspect it can be said that in the course of the history of the organisation of the consumer co-operative movement of the GDR, never have the co-operative ideas and activities developed as fast as they have after 1945, when the co-operative organisation began its reconstruction.

The beginning was a difficult one, despite the fact that the most progressive co-operative activists, with many years of experience, had taken charge of the reconstruction work. In the main, what could be salvaged from the ruins left behind by the fascist collapse was non-material in character, i.e. the co-operative ideals, the expertise and the unbending will of the activists of the first hours, who gave new life to the co-operatives.

PROGRESS ACHIEVED FROM THE VERY FIRST DAY

The co-operatives resumed their work after the war, when the main objective was to overcome the chaos in the supply situation left behind by fascism and when the home trade started developing in our country. Communists and social democrats started setting up new co-operatives in some communities in the former Soviet Occupation Zone already in the first days of May 1945, immediately after the German people's liberation from fascism by the Red Army. The working class demonstrated an extraordinary spirit of sacrifice.

The movement to establish new co-operatives, which had been confined to certain regions soon assumed broader proportions. In autumn of 1945, working people in all parts of the Soviet Occupation Zone

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(1) By Dr. Heinz Fahrenkrog, President of the Association of Consumers' Co-operative of the GDR.

demanded the abolition of the "Versorgungsringe", (a facist organisation which had robbed co-operatives of their property in 1933 and used this property illegally), in all parts of the Soviet Occupation Zone, as well as the re-establishment of the co-operatives. The will of the people was given legal backing by an order issued by the Soviet Military Administration on 18 December 1945 concerning the re-establishment of consumer co-operatives in the Soviet Occupation Zone. According to the order the property illegally taken from the co-operatives by the Nazi regime was returned to them without compensation. The order also provided for the return of the co-operative property administered by the communal administrative bodies; the democratic administrative bodies were further instructed to give the co-operatives every possible support in their trade, procurement and production work.

Considerable progress was made thanks to the help given by the workers' parties and by the democratic administrative bodies and, above all, to the untiring, assiduous routine work of many working people.

By the end of 1945 there were already 247 co-operatives with 1,290,000 members and operating almost 5,400 shops in the then Soviet Occupation Zone.

Social developments always go hand in hand with consistent political work; this point should be kept in mind, because political work was part of the workers' struggle and helped progressively to consolidate the socialist character of the consumer co-operatives.

Soon after Order No. 176 had been promulgated, the Communist Party and the Social Democratic Party of Germany issued a joint declaration pointing out the mistakes made by the co-operatives during the reformist period. Both parties called for the establishment of unified consumer co-operatives in order to avoid splintering into workers', civil servants', factory and confessional co-operatives, as had been the case in 1933. They emphatically recommended that steps be taken to have the members participate actively in running the co-operatives and in checking the work of the executives. The co-operatives were also charged with the task of supporting government authorities in stabilising the supply of consumer goods, for at that time it was very important persistently to combat black marketeering, speculation, price manipulation and fraud. And finally, the working class called on the new co-operatives to support the struggle of the anti-facist democratic parties against Nazism, militarism and imperialism and to co-operate in overcoming Nazi ideology.

The process of understanding and implementing this call was not a smooth one, for the opportunist attitudes formed in the past persisted for some time. They were supported by co-operative reformists, who were again occupying top executive positions in the western zones. But, supported by the Programme of Action launched by the Communist Party of Germany on 11 June 1945 and through the united efforts of communists and social democrats, the majority of the

co-operative members realised that a so-called political neutrality can only harm the interests of consumer co-operatives. The working class was able to emerge victoriously from this struggle through the democratisation of co-operatives, thanks to the support given to it by the anti-fascist democratic state authorities and as a result of the close ties between the co-operatives and the working class. By taking over the political and economic power the working class paved the way for the co-operatives to implement their plans in the interests of the working people and without any interference. They were given every opportunity to develop economically and politically.

STEADILY GROWING PERFORMANCE

In the subsequent years the consumer co-operatives broadened the range of their work in favour of their members. Today, the consumer co-operative organisation encompasses the following spheres of activities:

Locally-managed retail trade

There exist some 32,000 shops (groceries and manufactured goods shops, supermarkets, department stores and rural shopping centres) as well as over 6,000 restaurants and hotels and 190 service centres. Locally-managed trade accounts for the bulk of the commodity turnover of the consumer co-operative organisation. Consumer co-operatives also serve hot meals, snacks and beverages to working people in over 2,900 factories and on major building sites. In Berlin, the capital of the GDR, the co-operative is responsible for providing dining facilities to building workers. In 1973, it opened the first hotel for building workers with 800 beds and a modern restaurant and kitchen complex.

Centrally-managed retail trade facilities

The "Consument" chain has thirteen department stores. The local and the centrally-managed retail trade facilities account for over one third of the total retail trade turnover in GDR. In 1974, socialist retail trade facilities (nationally-owned shops, co-operative shops, shops operated by socialist industrial enterprises and by the transport service) accounted for 85.5 per cent of the retail trade turnover, while commission and privately-owned shops accounted for the remaining 14.5 per cent).

Locally-managed industry

Comprises 241 production enterprises (bakeries, butchers' shops and beverage factories), 12 bread and confectionery and meat processing combines and other co-operative meat-processing and tinning factories, mills and breweries. Co-operative bakeries produce 29.9 per cent of the GDR's bread and confectionery, while co-operative meat-processing plants produce 34.5 per cent of the country's total output.

Centrally-managed industry

Comprises 25 industrial enterprises (sweets and biscuits, alcoholic liquors, printing and paper processing facilities, soap, nutrients, spices, furniture and brush factories).

THE 70s: A PARTICULARLY SUCCESSFUL PERIOD

The 8th Congress of the Socialist Unity Party of Germany ushered in a decisive phase in the development of consumer co-operatives. In his message of greetings to the delegates of the 7th Congress of the Association of Consumer Co-operatives held in 1972, one year after the 8th Congress of the Socialist Unity Party of Germany, Erich Honecker, General Secretary of the Central Committee of the Socialist Unity Party of Germany, said that supplying the population with more and better consumer goods, making life easier by offering a wide range of services, is a major objective of the policy pursued by the Socialist Unity Party and the Government of the GDR. Consumer co-operatives identify themselves with these objectives, for they are in line with the co-operative aims pursued by the workers and officers of our organisation ever since the process of reconstruction was started.

Today, we can say that the co-operative organisation has contributed its share in the field of supply towards implementing the resolutions of the 8th Party Congress aimed at constantly improving the living conditions of people in rural and urban areas. One of the tangible results of the organisation's activities is that since 1971 it has continuously fulfilled the tasks assigned to it in the economic sphere and that the retail trade turnover and industrial production have been growing in accordance with the Directive on the Development of the National Economy covering the period from 1971 to 1975.

In the mid-70s consumer co-operatives became one of the GDR's major economic enterprises; they are a stable public organisation with a total of four million members who collectively own a large number of modern shops and restaurants, 140 department stores and supermarkets of which more and more are being built. This makes it possible to provide the population with nearly one third of the total supply services. At present the total retail trade turnover amounts to 28 thousand million marks (US dollars 10.5 thousand million or pound sterling 5 thousand million); this figure is growing steadily.

Growth of the retail trade volume and of the co-operative share of the total trade volume:

Year	Co-op share of total trade vol. in per cent	Trade vol. in millions of marks
1946	-	662.2
1950	13.4	2,662.8
1955	27.7	8,755.3
1960	32.9	14,776.2
1965	33.9	17,322.5
1970	34.4	21,730.6
1975	34.0	27,899.6

Co-operative industry has a broad range of production and makes a wide variety of consumer products of the highest quality designed to meet the demand pattern. Hardly worth mentioning in 1946, its output of commodities today is approaching the figure of five thousand million marks. Co-operative production enterprises account for a considerable share of the total production of certain branches of economy of the GDR. One out of every two loaves of bread comes from a co-operative factory or bakery. Over one third of all meat and sausage products are made by co-operative butchers' shops. 35 per cent of the pastries and 26 per cent of the brushes produced in the country are made by co-operative enterprises. Other co-operative enterprises make soap, alcoholic liquors, coffee, sweets and a variety of other products. Co-operatives maintain long-standing export relations with customers in all parts of the world.

Growth of production of the co-operative industry

Year	Millions of marks
1950	692.0
1955	1,938.2
1960	2,601.4
1965	3,044.0
1970	4,034.5
1975	4,434.0

Considerable investments were made in the trade sector in the period from 1971 to 1975. They were used mainly for expanding and re-equipping facilities, selling goods of everyday use. 2,000 new shops were built and over 7,000 rationalised.

The investment projects that have been commercialised include three large new bakeries and one new bread factory and the re-equipment of seven bakeries and eight meat processing plants. It has been possible to make these investments only by steadily increasing labour productivity of the co-operatives.

At present co-operative property is valued at over 4.2 thousand million marks (US dollars 1.7 thousand million or pound sterling 800 million).

This sound financial basis makes it possible to finance over 75 per cent of the working capital and 90 per cent of the investments from the co-operatives' own budgets.

Growth of co-operative property

Year	Millions of marks
1946	94.0
1950	262.0
1955	466.0
1960	1,231.0
1965	2,402.6
1970	3,354.8
1975	4,291.0

Co-operative members also derive direct benefits: co-operatives have been paying annual refunds to all their members from the very beginning of their work.

Growth of the annual refunds

Year	Millions of marks
1950	40.0
1955	97.0
1960	190.3
1965	231.9
1970	282.6
1975	349.1

PRIORITY GIVEN TO THE INTERESTS OF THE WORKING PEOPLE AND OF MEMBERS

The fact that co-operatives give priority to social requirements serving the interests of the working people rather than to profitability can be considered as the sign of a very progressive development. Placing the emphasis on this aspect is entirely in keeping with the resolutions passed at the 9th Congress of the Socialist Unity Party held in May 1976, which reaffirmed the continuation of the policy of improving the standard of living of the people by raising productivity in harmony with the economic and social policy. According to the Directive given by the 9th Congress of the Socialist Unity Party to the Five-Year Plan for the Development of the National Economy (1976 to 1980), the aim is to raise the material and

cultural standards of living of the population based on a fast rate of development of socialist production, of increased efficiency, of scientific and technological progress and of growth of labour productivity.

SUPPLYING THE RURAL POPULATION WITH CONSUMER GOODS: AN IMPORTANT TASK OF CONSUMER CO-OPERATIVES

Consumer co-operatives in the GDR have been developing comprehensively and continuously with regard to their territorial growth, but they have always placed special emphasis on providing adequate shopping facilities and supplies of consumer goods to their members in villages and rural communities. This is justified by the fact that at present, 38.7 of the GDR's total population lives in rural areas in 8,600 villages and communities. Two main reasons have led a considerable percentage of this population to join consumer co-operatives; the expectation that the well-known backwardness of shopping facilities for peasants which existed during the period of the landed gentry and Prussian junkers and lasted till 1945, would be overcome with the help of consumer co-operatives and the hope that agricultural co-operatives would develop with the assistance of consumer co-operatives.

Today, there are some 11,400 shops and 4,000 restaurants catering for the population living in rural communities of less than 2,000 residents (this figure does not include the shops and restaurants serving larger rural communities). Shops in rural areas co-operate very closely with urban one-line shops and department stores, they jointly organise effective complementary sales to enable people living in the country to do their shopping without having to go to town. Standard ranges of commodities adapted to the shop size and number of residents served are on sale. This streamlining scheme has helped improve the range of goods of everyday use available to the people living in rural areas.

During the past few years the equipment of rural shopping facilities has been steadily improved with the assistance of local government bodies and agricultural co-operatives. Very meritorious work has been done by members of co-operatives and residents of rural communities who have actively helped build new shops and remodel existing shopping facilities within the framework of communal initiatives: during the years 1974/75 alone they put in nearly 1.3 million hours of voluntary work worth roughly 6.5 million marks in terms of tangible results. Some 3,200 shops have been redesigned and enlarged in rural areas since 1971. A total of 100 new shops were built in rural communities of 250 to 1,000 residents and 250 shops in rural communities of up to 2,000 residents.

But, despite the considerable progress made and work accomplished there still remains a lot to be done: a considerable proportion of rural shopping facilities still need to be re-equipped so as to meet the higher demands made on socialist retail trade establishments.

These changes are a social necessity if the differences in the living conditions between rural and urban areas are to be gradually eliminated.

Rural shopping centres have an important function. They sell a wide range of foodstuffs and related products as well as an assortment of manufactured goods for everyday use and articles of periodic use. During the past five years, the network of rural shopping centres has been enlarged by building new, and redesigning existing, facilities in accordance with the settlement distribution trends in rural areas. Today, there are 310 such modern shopping facilities, of which 90 have actually been built and 169 redesigned and modernised. This trend of improving rural shopping facilities is being persistently followed.

SERVICE CENTRES IN THE COUNTRY

The nearly 190 service centres operated by the co-operatives have helped improve the supply situation in rural areas. One of the main tasks of these centres is running an order service for manufactured goods. They also offer rental and gift services, gastronomic service, commission electricians and plumbers to instal washing machines and similar appliances, provide advice and other services to customers. They work closely with the 120-odd consultation centres run by the Democratic Women's League and, in this way, help to enrich the social life in rural areas through lectures, demonstrations, discussions and other events.

GOOD PROGRESS MADE IN DEVELOPING RURAL CATERING FACILITIES

The turnover of co-operative restaurants in the past five years increased by 46.6 per cent, the highest figure of any preceding five-year period. Efforts have concentrated on providing a larger variety of dishes and snacks. Their share of the total turnover increased from 21.8 per cent in 1972 to 26 per cent in 1976. The number of restaurants increased from 5,540 to 6,100 during that period; in addition there are 4,348 restaurants under commission contracts. The standardisation of services offered by restaurants has brought good results and improvements in this field; restaurant services have been expanded to include delivery to places outside the restaurant of meals served in several courses, of snacks, and of coffee and cakes. Restaurants can also provide table-ware, cutlery and table linen. Most restaurants today have schedules of events which they co-ordinate with village clubs in their communities. Such events include a wide variety of social recreation and cultural participation. Co-operative restaurants are developing more and more into village catering and cultural centres.

CATERING FACILITIES DURING HARVEST ORGANISED JOINTLY BY CONSUMER AND AGRICULTURAL CO-OPERATIVES

Providing catering services to working people during harvest seasons is one of the responsibilities of the co-operatives. In 1975, a total of 1,400 catering agreements were signed between consumer co-operatives and agricultural enterprises. Roughly, 6,400 shops and 2,000 restaurants took part in sponsoring these services. Some of the aspects involved are adjusting the opening hours of shops to the harvest rhythm, serving food and beverages to people working in the field, setting up some 2,000 beverage dispensers, expanding the order services, supplying special transport containers for serving food at work-sites. Agricultural workers appreciate these services very much.

A CONTRIBUTION TO WHOLESOME NUTRITION

Another important objective pursued by the consumer co-operatives is to contribute their share to wholesome nutrition. Departments for wholesome nutrition have been set up in most supermarkets and rural shopping centres. They include foods selected in accordance with medical considerations suitable for consumption by diabetics. Lectures on sound nutrition are organised by the State health authorities and the Democratic Women's League of Germany. These efforts are supported by co-operative butcher shops and bakeries by increasing their production of low-calory goods.

PRICE-CUTTING UNKNOWN

Bargains are offered in co-operative shops and other retail trade establishments. But price wars between shops, which are common in capitalist countries, are unknown in the GDR. Retail prices have remained practically constant in the GDR since 1960. During the same period, the average monthly income has risen by 160 marks and the savings of the population have trebled. The net income of the population has been rising by four per cent annually till 1975. Stable consumer prices are considered as part of a stable supply situation.

To maintain the particularly low prices of important commodities of everyday use, especially of basic foods, as well as of fares and rents, the state pays subsididies which amounted to about 465 marks a month for a family of four in 1975. State rent subsidies amount to over 60 per cent of the total rent.

Increasing prices out of proportion with minor product improvements, a practice considered normal in western countries, is prohibited by law in the GDR. A considerable number of bodies control prices such as the Workers' and Peasants' Inspections, shop committees and advisory boards which all have considerable authority.

PRIORITY IS GIVEN TO THE CUSTOMER'S NEEDS

The main consideration behind any plan for rationalisation or for a new building project is to improve the shopping facilities for the population, to speed up the turnover of goods, to diminish costs and losses and to improve the working and living conditions of the working people.

To this end the co-operatives, state retail trade facilities as well as commissioned and private shops, under the auspices of government authorities, co-ordinate a wide range of their activities. It goes without saying that local conditions are taken into consideration.

Köthen, a medium-sized town with a population of 40,000 is one of the towns in the GDR in which there now exists a modern retail trade network organised through such co-operative efforts. Each retail trade facility concentrates on certain ranges of merchandise based on a thorough study that had been conducted earlier. The co-operatives built a new "Kontakt" department store. The turnover soon increased, market research has been conducted more systematically and the wages of the shop assistants have also been raised. This fusion of retail trade capacities was by no means sufficient to meet all the requirements of the shoppers. For this reason on the occasion of elections to the executive bodies of the co-operatives a directive was issued calling upon all managers to concentrate their efforts even more intensively than before, not only on determining the demand, but on adjusting the merchandise offered to that demand, and to improve after-sales service. The concrete results of such an approach brought satisfaction to the working people.

GROWING INFLUENCE OF MEMBERS OF CO-OPERATIVES

The co-operatives of the GDR can claim that they have found a way of developing efficient organisations and enterprises and at the same time of reinforcing the direct influence exercised by members and the spirit of democracy among them. This is achieved by systematically strengthening the role and significance of members' bodies (members' committees, shop committees, advisory boards, co-operative councils, auditing committees), which not only gives more rights and broadens the spheres of competence of these bodies, but also stimulates more active participation among members themselves. A comprehensive training and information system set up by the co-operatives enables their officials to take part in a more competent and qualified manner in the decision-making process at various levels of the organisation.

Today, nearly 200,000 co-operative members take part in the direct management and planning of the co-operative organisation (through members' committees, shop committees, advisory boards, co-operative councils, auditing committees and executive boards). In addition, hundreds of thousands of members exert an influence on the work of co-operative enterprises and organisations by taking part in members' meetings and delegates' conferences of co-operatives and co-operative

associations. The co-operatives also take an active part in the work of the committees of the National Front of the GDR. This constitutes an important part of their political work with the masses; in this way they practise their democratic rights in participating in the determination of the policies of the socialist state in rural and urban areas.

All forms and opportunities of democratic participation by the members, which are being gradually developed and improved are a two-fold guarantee ensuring that an individual can exercise his vested rights and that the initiative of the members can be made maximum use of in the interests of the co-operative organisation as a whole.

CO-OPERATIVE SOLIDARITY FROM THE OUTSET

These past three decades of co-operative development under socialist conditions coincide with the period of collapse of the colonial system in most of the countries of Asia, Africa and Latin America.

The members of the consumer co-operatives have from the very beginning considered it their sacred duty to practise active solidarity as embodied in the Constitution of the German Democratic Republic. This solidarity was equally reaffirmed in a resolution adopted by the 7th Co-operative Congress of the GDR, which is the supreme body of consumer co-operatives, and which confirms that, as a member organisation of the International Co-operative Alliance, the co-operative movement of the GDR must contribute to the development of co-operation between all co-operative organisations and in particular in young nation-states and developing countries of Asia, Africa and Latin America. Consequently, during recent years consumer co-operatives in the GDR have given moral, material and financial support to the co-operative movements in these countries, in particular on the basis of bilateral agreements between the Association of Consumer Co-operatives of the GDR and numerous associations in developing countries. Special efforts have been made for the training of co-operative officials. Up to now a total of 640 co-operative members from 40 countries have studied at the International Co-operative School of the Association of Consumer Co-operatives. By the end of the present Development Decade another 550 senior staff members will have completed their courses in business management at this school.

Further training courses in which nearly 100 former graduates of the International Co-operative School took part have been sponsored in 1973 in co-operation with the National Co-operative Association of India, the International Co-operative Alliance through its regional bureau for Southeast Asia in New Delhi in 1973 and in 1975 under an agreement with the Ministry of Supply of the Arab Republic of Egypt, in Alexandria,

The Association of Consumer Co-operatives of the GDR was nominated to host the 43rd International Co-operative Seminar and the

Consultative Session of the Steering Committee of AGITCOOP in Dresden. It gave the co-operative members of a socialist country an opportunity to reaffirm their support to actions in favour of national and social liberation, and against colonialism, neo-colonialism and racialism.

The co-operative movement of the German Democratic Republic has remained young and dynamic for over 30 years. It has sought new and better ways to strengthen the role and importance of consumer co-operatives as a mass organisation. The scope of co-operative activities has progressed in step with the process of socialist construction, and the emphasis of these activities has gradually shifted from the target of only obtaining advantages for members of consumer co-operatives to that of making full use of the economic potential of these co-operatives for the implementation of socialist construction and for the promotion of the welfare of the entire working population of the country.

Throughout this period, the co-operatives have always been encouraged and supported by the Socialist Unity Party of Germany and by the Government in their endeavours to develop efficient supply, trade and production work. As a result, a fraternal co-operation, based on common aims and mutual trust, has been established between the State, the consumer co-operatives and the other partners which all have the same objective, i.e. fulfil the needs of the population.

In spite of the considerable progress achieved, efforts will be pursued to make shops still more attractive, improve working and living conditions of the co-operative staff and, finally, use the skills thus acquired for the benefit of the country's economy.

GENERAL

Aspects and Issues of Trade Union/Co-operative Relations (1)

Background

In analysing the various aspects and issues of trade union/co-operative relations it seems, indeed, necessary first to recall that the origin of both may be traced to common people's effort to relieve the pressure which the "industrial revolution" was making increasingly unbearable. Early forms of trade unions originated in Western Europe and in the US in the beginning of the 19th century as associations of workers using the same skill. Progressing from trade to trade within the same city or area, the associations followed industrial development beyond the local areas and developed into national unions of the same trade. These, in turn, formed national union federations.

About the same time the co-operative movement took form mainly in three basic types of co-operative associations - the consumers' co-operative, the artisans and small farmers' credit co-operative and the workers' production co-operative, in Great Britain, Germany and France. The mixture of associative ideology, organised action and spontaneous trade unionism is clearly seen in the story of the Equitable Pioneers of Rochdale, a large number of whom were Owenists or influenced by Owen's ideas. Some of the more prominent Rochdale pioneers had even taken part in strikes and in the Chartist movement. To them the concept of co-operative service stems from the realisation that the strength of organisation brings the greatest possible benefits to members. This approach coincides entirely with the basic strategy of the trade union movement.

Both movements were thus engendered by the same necessity and a similar effort of defence and emancipation. They fundamentally sought to further and protect the underprivileged masses and offered the only form of protection open to the lower income groups. Both have progressed far in the past hundred years in the industrialised countries and have long since demonstrated their ability to influence society in its economic, social and cultural life, even though the formation phase of the trade unions was considerably more difficult and often marked with bitter and bloody struggles. In a number of industrialised countries they have closely associated in efforts to improve the lot of what was often the same membership.

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(1) By A. Benjacov and R. Louis, ILO officials. Article already published by the Society for Co-operative Studies, Stanford Hall, Loughborough, Leicestershire, UK.

Drifting apart of the Movements

Over the years, however, important changes have taken place. The value of the "co-operative approach" was increasingly recognised by sectors of the population which have had little to do with trade unions, in particular agricultural producers. These large groups of similar interest found increased security and practical opportunities through the co-operative form of organisation. Gradually, this sector of co-operative activity became divorced from the other workers' groups which inspired its origin. Trade unions, while generally retaining some forms of social servicing for their members, have also gradually disassociated themselves from the national and indeed the international co-operative movements. The close links which once existed between the two movements have weakened to a great extent. However, exceptions to this overall trend are seen in certain countries, as for example, the Federal Republic of Germany, the Scandinavian countries and Israel, where joint action developed, sometimes taking the form of massive investment in co-operative activities[1]. In Denmark, for example, trade union/co-operative links developed into the establishment in 1936 of the Economic Council of the Labour Movement for the purpose of representing both movements in national socio-economic matters before the Government, the Parliament, the central Administration and other national institutions. From the very beginning the Danish trade unions promoted many of the workers' co-operatives as shareholders or in other capacities. However, some failures which occured resulted in losses for the trade unions. In 1953 the Workers' Co-operative Financing Fund was created as a means to secure sound investments from the trade unions in co-operatives.

Evolution in developing countries

The situation evolved differently in the developing countries. Indeed, it varied greatly from region to region and country to country. But on the whole, the concentration of trade union activities has been largely limited to industrial workers and employees in the urban sector, and to a lesser extent to plantations' workers in the countryside. Accordingly, their impact was reduced to a very small minority within the total working force. Side by side with this development, problems of indebtedness, usury, economic exploitation and other factors which impeded the improvement of the workers' condition and income distribution among the rural population - and which had to be faced prior to industrialisation - called for urgent corrective action in the rural areas. It generally took the form of co-operative organisation often promoted and supported by governments.

Thus, in developing countries, the trade union and co-operative movements developed in entirely different directions with practically no links between them, the unions predominantly catering for the needs of wage earners in key sectors of the "modern" areas of national economy whereas the co-operative concentrated in rural areas and combined the general functions of administrative supervised development structures designed to channel various services to the large

masses of the self-employed peasants and non-wage rural workers. In some countries close co-operation developed in due course between the unions and the national liberation movements, the unions using action at the industrial relations level as a weapon against the colonial power. Political leaders were often union leaders or closely associated with them. The unions, however, were rarely given the opportunity to develop new forms of organisation and action. Being more aggressive, governements often suppressed them in the name of social peace while the co-operative movement was fostered by legislation and outright subsidies.

Distinctive features

Though both movements pursue broad identical aims, that is the improvement of the material, cultural and social status of their members, what distinguishes one movement from the other is the particular aspect of the broad objective it endeavours to achieve and the particular method it employs.

To put it in a rather schematic way, the primary purpose of the trade union is the improvement of the wages and working conditions of its members, including obtaining social benefits from employers and from the state. Trade-unionism very clearly implies the notion of professional relations, protection of wage-earners against employers, security of employment, and by so doing putting an end to wrongs which were generated by the market economy. Its activity rests on the premises of a latent permanent conflict between the employers and the workers, hence the militant nature of a trade union organisation. The trade union is also often politically-oriented and draws mainly on urban and industrial concentrations of wage or salary-earners. To achieve its purpose, the trade union has recourse to collective bargaining, representation, political and social pressure and, in the last resort, to strikes.

For the co-operative institution, the primary objective is not to set right the situation created by the market economy, but rather to obviate the negative effects of this situation for its members or to get them out of it when it arises, and to protect and free them from the social domination or economic exploitation of those who hold the keys to the toll-gates. The co-operative is more of an economic rather than a politically-oriented movement and in developing countries it has, in the course of time, become more closely associated with the rural areas. To achieve its end, the co-operative association combines the functions of owner, entrepreneur, producer, consumer, employer and worker and sets up and runs an economic undertaking. Both components of the co-operative organisation - the association and the undertaking - are governed by a set of rules based on principles of equality and equity.

There are, however, features common to both organisations, particularly in the voluntary character and in the emphasis given by both movements to membership education. In both cases, members have the basic right to form, join or withdraw from their organisation,

hence the importance attached to membership education and persuasion as against coercion and intimidation. The trade union as well as the co-operative have also adopted the concept of the permanence of the training and education effort on behalf of their members and both serve as the training ground for the development of initiative, responsibility and democratic operation. This is probably an over simplification of complex issues but it does put in broad terms the respective approach to the common end of both organisations and the essential features which distinguish the two movements.

Widening of the scope of trade union action

It is certainly true that the historical circumstances of the development of trade unions are such that they were largely limited to a defensive-revendicative and protective role of workers in society. However, as they grew in strength, particularly in certain industrialised countries, trade unions adopted a service-oriented approach to many other problems which workers encounter in their daily lives, and began to express social and economic attitudes that were beyond their original function and political role. They became increasingly concerned with the situation of their members not merely as producers but as consumers as well. Their interest in various aspects of life of their members, their families and the working community as a whole was not only expressed by pressure on employers for higher wages and better working conditions, or on the State for better social security measures, but also by direct economic means, some of which were long since practised by co-operatives. Somehow, the traditional image of unions as wage-claiming organisations changed. In Germany, for instance, "union co-operatives" for servicing members began in 1920 in the form of housing co-operatives, construction workers' co-operatives and deep sea fishing co-operatives. But they did not survive the totalitarian regime and the war. A trial was made again by the German trade unions in 1945. The German union-co-operatives are interesting for two main reasons: firstly, because they were created in response to very special needs such as the housing shortage of the post war period and, at least partly, the food shortage. Secondly because they illustrate different types of union-co-operative activities, housing co-operatives owned by trade union affiliated enterprises which construct and rent buildings to the public authorities, and deep sea fishing enterprises run by the unions in conjunction with the Federation of co-operatives and the public authorities of the port cities[2]. In Israel, as a result of factors conditioned by time, economic, political and geographical circumstances, by far the largest number of co-operatives are creations of organised labour. The great majority of the co-operatives are affiliated with the General Federation of Labour (Histadrut) and subject to the statutes of Hevrat Ovdim (General Co-operative Association). This latter started as a confederation of co-operatives and gradually evolved into the national Apex organisation embracing all the Histadrut - sponsored economic enterprises, both co-operative and non-cooperative. Co-operatives and trade unions constitute in fact organic parts of the Histadrut. Over the years they have

provided a most powerful concentration of financial, ideological and human resources which enrich the social influence and economic and political capacity of the labour movement in the country.

Situation in developing countries

Union co-operatives do not exist on a large scale in developing countries. Compared to the long established movements in industrialised economies, the trade union and co-operative movements in these countries are still very much in their youth. However, there is an increasing trend for trade unions to start co-operatives for their members, predominantly in urban areas. Because of the precarious economic situation, excess of cheap labour and the migratory character of workers in many areas, unions are not always able to further and defend the interests of their members by the traditional methods of negociation and representation. The low social and economic status of their members puts these organisations in a particularly weak bargaining position. Often government intervention severely curtails their bargaining functions. In their initial and difficult economic development phase, many developing countries deem it necessary to guide politically, or control closely the organised economic and social forces, including trade unions; co-operatives, incidentally-are also subject to such guidance and control.

Thus, to be effective the role of the trade union in developing countries has to be a flexible one, based on rapidly changing circumstances. In the majority of countries trade unions have little choice but to devote their efforts to a variety of development activities, especially those designed to improve the economic and social well being of the rural workers, without necessarily abandoning their traditional functions.

This policy was strongly advocated by the ICFTU/ARO Round Table on "Trade Unions in Asia Today" which was held in 1971 in Seoul. The meeting recommended that major emphasis be given "to co-operative development within and as part of trade union service over a wide range including credit union formation and the promotion of producer and consumer co-operatives on behalf of membership". The meeting further stated that rural workers' organisations, in attempting to embrace both employed and self-employed workers, should combine the functions of "industrial union, rural co-operatives and service organisations". This tendency is also reflected in national policies, as for instance in Kenya where a government White Paper states: "The Government will assist trade unions to become involved in economic activities such as co-operatives, housing schemes, training schemes, etc.".

Importance of joint action

The importance of developing working relationships and joint action between trade unions and co-operatives is being increasingly recognised. The purely monetary gain obtained by trade unions through

their bargaining powers will not necessarily improve the workers' economic and social conditions unless it increases their effective purchasing power and they can be taught the wise use of their additional financial gains. In the larger context of the trade union movement it has been pointed out that combining trade unions with the co-operative movement may go a long way towards reinforcing both movements and remedying deficiencies. Conversely co-operative development could profit from the discipline and cohesiveness of the trade union structures.

There is widespread recognition by the co-operative movements of the world that joint action with the trade unions is important and necessary. This is even more essential in developing countries where trade union and co-operative organisations together may bring about a greater synthesis of action for the benefit of both urban and rural workers. In view of the magnitude of the economic and social problems prevailing in these countries, both movements need the added strength of mutual support provided by complementary relationship and similarity of purpose. In 1966, ILO Recommendation No. 127 on the Role of co-operatives in the economic and social development of developing countries advocated that "workers' organisations and craftsmen's associations should be encouraged and helped in the implementation of plans for the promotion of co-operatives". The 31 participants representing 12 Asian countries to the Asian Regional Seminar on Trade Unions and Co-operatives organised by the ILO in collaboration with the Danish International Development Agency (DANIDA) in Singapore (1970) unanimously agreed that the common objectives of the two movements could be better met through common effort supported by the collective strength of the two movements.

Mention should also be made of the resolution passed by the 25th Congress of International Co-operative Alliance in October 1972 recommending: "all co-operative organisations and leading authorities of the ICA to manifest the spirit of collaboration and mutual help with trade union organisations and their central authorities; to widen and consolidate friendly and business relations with them on national, regional and international levels; and to use all ways and means to create an atmosphere of mutual trust between co-operative and trade union movements".

Possible fields of collaboration

Various forms of collaboration are possible between the two movements, and concrete measures are needed to bring about co-ordination of efforts in achieving their common goal. Both organisations have a special role to play in promoting savings among the workers. Examples of successful savings and insurance campaigns conducted in some developed countries demonstrate the scope existing for trade union programmes to educate members to put their savings in special deposits and co-operative insurance schemes of various types. There have been many successful instances where urban thrift and credit co-operative societies were organised by trade unions. Collaboration between trade unions and co-operatives can have a relatively modest beginning with

a programme of consumers' co-operative development in both urban and rural areas where workers are concentrated. Trade unions can also share in the financing of popular co-operative housing schemes, or provide the necessary guarantees for the loans given to their members by co-operatives. The adoption of check-off systems in respect of trade unions and consumer co-operatives by the deduction at source (i.e. at the level of the employers) represents another frequently used possibility of collaboration[3].

On their part, co-operatives can effectively support trade unions in various cases, e.g. in time of recession, private enterprises have been converted into producer' co-operatives to safeguard employment, or through consumers' co-operatives which actually promote the interests of workers as consumers. Co-operatives may also represent an effective way of extending the horizon of trade unions to include new types of members. This has particular relevance to non-wage or part-time wage earners in the rural areas of developing countries characterised by the unemployment or underemployment of the large majority of the population. The organisation of farmers and labourers into rural workers' organisations including co-operatives could be an effective way of reaching these workers, while constituting a first step towards their finding a place in the national labour movement.

The trade unions and co-operatives can also act as strong pressure groups to influence governments to enact progressive legislation which will protect the interests of workers in both urban and rural areas. Social security legislation, industrial relations codes, land reform and the removal of restrictive provisions of existing legislation offer themselves as some major areas where combined efforts will prove fruitful. In developing countries there is considerable scope for joint action. The ILO/DANIDA Asian seminar referred to above put forward a number of specific suggestions on the possible fields of trade union/co-operative collaboration, including education, welfare, credit, consumer, housing, insurance and others that may prove relevant to the particular countries.

Examples of union sponsored co-operatives in developing countries

Indeed, examples of trade union activities extended to the rural workers within the framework of co-operative organisations are found in developing countries. In Venezuela, for instance, where the "Federación Campesino de Venezuela" (FVC) which is an important affiliate to the "Confederación de Trabajadores de Venezuela" has set up a number of producer and consumer co-operatives throughout the countryside and supplies various agricultural machinery and equipment to its members at very favourable terms. Similarly, the National Agrarian Federation in Colombia engages in a wide range of co-operative activities, including the establishment of producer and consumer co-operatives and credit unions. In Malaysia, the National Union of Plantation Workers has established a National Multipurpose Co-operative Society to purchase and manage rubber estates in the interest of the workers, the earnings of which provide the basis for

the establishment of service co-operatives throughout the countryside. In Singapore, the National Trade Union Congress (NTUC) has embarked upon a number of co-operative ventures with the ultimate aim of creating a workers' co-operative Commonwealth in the Republic. The NTUC Co-operative Insurance Commonwealth Enterprise (INCOME), the NTUC Workers' Transport Co-operative (COMFORT), DENTICARE which provides dental treatment at an economical cost and the Consumers' Association of Singapore (CASE) which is endeavouring to provide customers with good quality products while at the same time keeping down the prices of consumers goods and services, are the fundamental pillars of trade-union/co-operative collaboration. A further example of successful combined trade union/co-operative action in Asia is the setting up by the Free Farmers' Federation in the Philippines of the Free Farmers' Co-operative which has established a fertiliser co-operative and deals with the supply of irrigation pumps and small hand cultivators to members.

In Africa, although activities of this nature have been slower in developing, there are some examples of consumer co-operatives established by rural workers' organisations, such as the one set up by the Kenya Plantation and Agricultural Workers' Union, and the one managed by the Cameroon Development Corporation Workers' Union for the supply of basic foodstuff to members.

Obstacles and constraints

There are, however, a number of difficulties of a practical and sometimes of a legal nature in establishing joint action between trade unions and co-operatives. The main issues and problems can be listed as follows:

- the interests of the workers and general consumers may sometimes be divergent, which may affect the economic functioning of co-operatives. This is more relevant to producers' co-operatives which, as enterprises managed by the workers themselves, appear on the market as "sellers" of their produce. In this process the workers' interests may conflict with those of the consumers;

- the problem of industrial relations may assume special significance in co-operative industrial undertakings with a large body of wage-earners. As a rule, workers and employees of such co-operatives are organised in trade unions and through them conduct negociations on matters of wages and working conditions. Conflicts of opinion during such discussions are not unnatural;

- legislation and/or government regulations and practices may prevent the utilisation of trade union funds in co-operative undertakings, including the placing of union funds in the form of shares or deposits in co-operative banks, and vice-versa. Similarly, trade union affiliation to a co-operative may be practically excluded by national co-operative legislation restricting membership of primary societies to individuals only. Another

example occurs when a trade union intends to organise a consumer co-operative for its members but the national law requires that the co-operative be open to everyone;

- the rather frequently observed close connections between trade unions and political parties, it will be recalled, has been the subject of difficult debates in a number of ICA congresses and committee meetings. While generally agreeing on developing close relations with the trade union movement which could facilitate united action on purely economic matters of common interest, the co-operative movement has been reluctant to place joint action on a permanent footing in its Constitution, in keeping with the principle of independence vis-à-vis state and political parties, and private organisations.

Additional constraints are found in developing countries, which make practical collaboration difficult. For example, the fact that each movement is often supervised by a different government authority; the fragmentation of each movement into sectoral units without a central national organisation; the absence of trained leadership and lack of managerial skills. Special mention should also be made of the attitude of mistrust each movement often seems to adopt towards the other; on the part of the trade unions because of the government support to and control over co-operatives, and on the part of the co-operatives because of the prevailing feeling among co-operative leaders that trade unions are mainly militant vehicles of a self-centred sectionalism, somehow divorced from the vital economic, social and political issues confronting the large majority of the labour force in the rural areas.

Possible solutions

A number of practical measures designed to overcome the problems of trade union/co-operative joint action have been taken in various industrialised countries; their nature and extent vary depending on the political, social and economic conditions of each country. Various regional seminars and meetings organised in developing countries have examined the areas where clash of interests may come in the way of collaboration between the two movements and recommended possible solutions for the tackling of these problems in developing countries. Here also the solutions proposed have to be considered in the light of the particular context of each country. It seems, however, possible to summarize the various measures and suggestions under the three following headings:

(a) measures at the level of the organisations:

- The smooth working of both trade unions and co-operatives and collaboration between them primarily depend on enlightened leadership and well informed membership. It is therefore of first importance to develop joint action in the field of training and education of the members of both organisations. Special lectures

and discussion meetings should be provided for, reflecting the viewpoints, aims and characteristics of each organisation and the benefits which may derive from close collaboration. There is also an urgent need for a better utilisation of existing educational facilities, whether those associated with either movement or those belonging to government. There can also be joint action, where possible, in the preparation and dissemination of publications, literature and audio-visual aids of special interest to the workers, or providing information on each other's activities. In developing countries, education activities should extend to literacy campaigns and broadly based social education. Joint committees may be constituted for manning and co-ordinating such activities.

- The periodical congresses and annual meetings held by the trade unions or the co-operatives can profitably discuss their mutual problems and formulate joint action programmes. Joint seminars will also be useful.

- Special committees or departments should be organised at various levels to review constantly the implementation of common programmes. Such forums could also be utilised to resolve conflicts, if any, between the two organisations. In 1968 an agreement on industrial democracy was signed between the Danish T.U.C. and the Central Union of Urban Co-operatives by which joint committees were formed in the greater co-operatives for consultation and, in certain matters even with decisive authority. The ILO/DANIDA seminar in Singapore on trade unions and co-operatives, mentioned above, came out with strong recommendations to set up joint trade union/co-operative councils for the purpose of formulating policy and priorities in respect of trade union/co-operative collaboration, the conduct of feasibility studies, consultation and joint programmes, and the promotion of educational programmes. It also recommended the establishment of central funds financed by shares, deposits and loans from co-operatives and unions, and joint action to achieve legislative change - where desirable - to allow effective collaboration. In order to ensure closer ties between existing co-operatives and trade unions, the Constitution of the Singapore NTUC was amended to allow co-operatives to join the movement as associate members.

- The problem of industrial relations in co-operative industrial enterprises has been tackled in Denmark, Sweden and some other developed countries by having special rules and establishing a machinery for conciliation and arbitration of disputes. The "rules for the arrangement of the working conditions in co-operatives" set up in Denmark in 1942 include: (i) a declaration of principle in which it is stated, on the one hand, that the trade unions fully recognise and support the co-operatives as a means to the improvement of the workers' standard of living, and on the other hand, that the co-operative movement promises to offer wages and working conditions at the same level as in the best private firms in the same trade; (ii) rules for the

negociation on collective agreements with a view to preventing any legal strike or lockout to take place in a workers' co-operative; and (iii) rules for the settling of conflicts of rights, that is, conflicts on the basis of existing agreements. In Norway liaison committees for similar purposes have been set up in the large consumers' co-operatives affiliated to the N.K.L. In Sweden the K.F. and the Swedish Confederation of Trade Union (L.O.) have reached, already since 1926, a general agreement on joint issues. Similar arrangements could be worked out in the developing countries.

- National trade union centres and co-operatives might consider the creation of a central fund for promoting co-operatives, of a nature to be determined by the central bodies concerned.

- Steps should be taken to promote the understanding of the general public of the contribution which can be made by trade union/co-operative collaboration to the increase and better distribution of national income; the increase of productive and remunerative employment opportunities, and the improvement of the general conditions of work and life, particularly in the rural areas of developing countries. These may include mass information and education campaigns, radio, television and cinema programmes; periodical articles in the local and national press; the organisation of meetings, seminars, etc.

(b) measures at government level:

- All restrictive features of legislation and statutory rules affecting the self-regulatory character of the two movements should be carefully reviewed. Co-operatives and trade unions should function as autonomous bodies and government, while extending support to these organisations, should not interfere in their day-to-day working in an undue manner.

- Particularly in the developing countries, it would be useful if some form of consultative machinery could be set up by the ministries and the departments dealing with matters relating to trade unions and co-operatives with a view to co-ordinate, at governmental level, programmes relating to the promotion of co-operatives among the workers and joint action with trade unions.

- Steps should be taken to promote programmes designed to impart to the leaders and members of trade unions and co-operatives organisations, knowledge of national laws and regulations and international standards on questions of direct concern to the activity of these organisations, including the right of association, the country's economic and social development programmes, role of women and young workers, etc.

(c) measures at the international level

- Co-ordination of efforts and activities should be strengthened within and between all international organisations interested in

furthering the development of co-operatives and trade unions. Organisations such as the ICA, Trade Unions Internationals and other non-governmental international organisations, as well as UN agencies such as ILO, UNIDO, FAO, etc. should develop ways and means for providing larger support for projects in the field of co-operative and trade union collaboration, including research and technical co-operation programmes.

- More particularly, with regard to developing countries action should be taken to obtain the removal of all constraints in the way of establishing organisations of rural and urban workers, to encourage trade unions to broaden their base by enroling rural workers within the trade union movement, to obtain the full implementation of international instruments directed to promote the establishment of institutional means for the organisation of both rural and urban workers.

Conclusions with particular reference to developing countries

The references in the preceeding pages to trade union/co-operative joint action in certain developing countries should not give the false impression that union co-operatives are widely established in these countries. The opposite is true. In most of the developing countries rural workers are unorganised and for the last decade discussions have been going on at national and international levels on how to organise them. In the particular context of the rural regions where landless workers and marginal farmers are unemployed or underemployed such workers have little or no bargaining power. The wage-earners must accept the wages paid by their employers and the poorest self-employed have little contact with the money economy. Indeed, very few rural workers and their families enjoy any social security protection beyond that which they derive from their immediate family or their local community, except perhaps for workers on some larger plantations. So far, labour legislation when covering rural areas is often unenforced or unenforceable because of the absence of proper and effective enforcement machinery. In fact, no such enforcement is possible without having an organisation representing these workers[4].

On the other hand, co-operatives in the emerging countries have so far concentrated in the agricultural sector and on producer groups owning land whilst the majority of landless and marginal farmers seems to have been neglected. While recognising that co-operatives cannot solve by themselves national social problems of the "rural poor", this situation has given rise to much criticism on the co-operative movement. Consideration has been given to the possibility of creating some institutional pattern for organising the landless workers and marginal farmers. It has been suggested that such an institution might take the form of a co-operative which would also perform the functions of a trade union. It should be recalled, however, that co-operatives are institutions working within an existing system and have only the resources of their own membership. Only once governments have taken the genuine political decision to change the economic and social conditions of the rural poor and made resources

available for this purpose then co-operatives can be a useful means for effectively reaching these groups. In countries with a strong commitment to social reforms there are national projects implemented which help to develop a co-operative (or similar institutional) structure as agent of social change amongst the rural workers. In the other countries, however, whilst the idea of an association becoming sufficiently self-reliant to look after itself is generally welcomed, the idea of its becoming sufficiently independent to exert pressure for change on the authorities and public agencies is generally treated with utmost reserve. Not surprisingly, there is still a long way to go from international and national policy statements on basic needs of the rural poor to the acceptance of such ideas by governments and their effective implementation at the national level.

A number of ILO international instruments have been adopted since 1921 to protect and further the interests of workers in general and rural workers in particular, such as the Right of Association (Agriculture) Convention No. 11 of 1921, the Freedom of Association and Protection of the Right to Organise Convention of 1948 (No. 87), the Right to Organise and Collective Bargaining Convention, 1949 (No. 98), the Recommendation concerning the Role of Co-operatives in the Economic and Social Development of Developing Countries, No. 127 of 1966, and most recently the Rural Workers' Organisations Convention No. 141 and Recommendation No. 149 of 1975. On the other hand, various attempts have been, - and are being - made with varying degree of success to achieve greater social justice in rural areas, within the framework of rural development programmes technically and financially assisted by international as well as bilateral and other organisations and agencies. However, to really improve the economic and social status of the workers, particularly those of the large sections of society which are unable, of their own, to make any significant economic progress, there must be a national policy concretely expressed in national Plans and Programmes of economic and social development together with the transfer of adequate resources and investments. Even then, however, the process has not come to an end because neither formal government policy nor the financial measures for its implementation may prove sufficient by themselves. What is still needed is the translation into action of the decided measures so as to effectively reach the grass root level and involve and benefit the large workers groups. In this extremely huge and complex venture, trade unions and co-operatives have a very difficult task in generating group action and self help among the large masses of workers at all levels of development. By co-ordinating their means and efforts, and through the linking of their activities to government action programmes for development, they can effectively contribute to improve the economic and social status of their members, and of the rural community at large.

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[1] Some examples of achievements in the T.U. Co-operative field in developing countries, by T. Bavin. Cf. ILO Report on the Asian Regional Seminar on T.U. and Co-operatives, Singapore 20-31 October 1970, 173 p. (p. 19).

[2] Report on Technical Meeting on T.U. and Co-operatives, Denmark 18-29 September 1967, ILO/WED/S 11/D.1, Geneva 1968, 106 p. (p. 65).

[3] Ibid. p. 11.

[4] ILO Director-General's address of welcome to the 3rd World Congress of IFPAAW, Geneva 1.7.1971 (p. 2).

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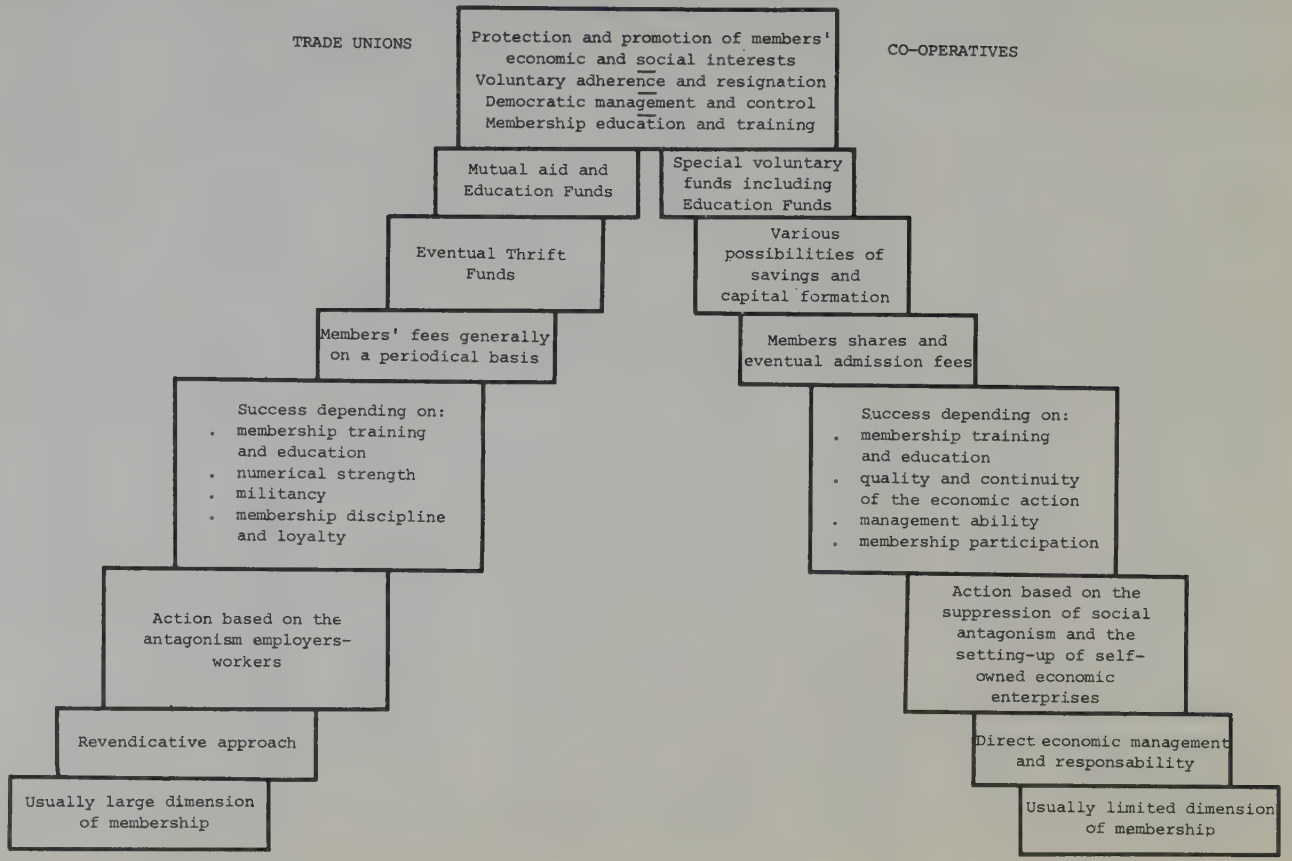
A COMPARATIVE CHART OF SOME MAJOR SIMILARITIES AND DIFFERENCES

BETWEEN


TRADE UNIONS
Protection and promotion of members' economic and social interests
Voluntary adherence and resignation
Democratic management and control
Membership education and training
CO-OPERATIVES
Mutual aid and Education Funds
Special voluntary funds including Education Funds
Eventual Thrift Funds
Various possibilities of savings and capital formation
Members' fees generally on a periodical basis
Members shares and eventual admission fees
Success depending on:
. membership training and education
. numerical strength
. militancy
. membership discipline and loyalty
Success depending on:
. membership training and education
. quality and continuity of the economic action
. management ability
. membership participation
Action based on the antagonism employers-workers
Action based on the suppression of social antagonism and the setting-up of self-owned economic enterprises
Revendicative approach
Direct economic management and responsability
Usually large dimension of membership
Usually limited dimension of membership

ILO

TECHNICAL NOTE (1)

APPROACHES TO CO-OPERATIVE DEVELOPMENT PROJECTS (WITH SPECIAL REFERENCE TO ILO'S ROLE IN TECHNICAL ASSISTANCE)

INTRODUCTION

"Popular participation in development, to be effective, must be so organised as to minimise the weakness inherent in smallness of scale and to maximise the benefits that can be derived from group action; the co-operative formula is eminently suited for this purpose."

Thus states the report of the United Nations Economic and Social Council on the role of the co-operative movement in the achievement of the goals and objectives of the Second United Nations Development Decade (March 1970).

The emergence of co-operative movements in so many different countries of the world illustrates the flexibility of this type of organisation as an instrument of economic and social progress. It may be found in many different environments amongst people from many different walks of life. Recent experiments carried out in developing countries emphasise the adaptability of co-operatives to new challenges and situations.

The principles and practices of co-operation will be found not only in enterprises legally registered as co-operatives, but also in many similar types of organisations of people working together for their economic and social betterment, both as individuals and as a community.

The ILO has been concerned, since its inception, with the promotion of co-operatives. Aid in the co-operative field, principally for developing countries, is amongst the oldest and most widespread of ILO's technical assistance programmes.

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(1) Prepared by the Co-operative Branch, Sectoral Activities Department, ILO, Geneva.

GENERAL PRINCIPLES

The broad framework of objectives within which ILO is fostering co-operative development in its technical assistance and other programmes includes:

- the active involvement of people in national development efforts;
- the development and use of human resources and talents by group effort;
- the wider sharing of the benefits of economic and social progress; including
- the improvement of existing incomes and the creation of new job opportunities.

ILO is fundamentally concerned with what can be done to build up efficient economic and social services provided to people by their own efforts and mutual help and at the same time to mobilise these people, through education, training and sound organisation and management systems, to play a full part in national and in self-development by supporting and running their own co-operatives.

In this "people-oriented" approach, it is recognised that co-operatives can be of benefit to many different groups of people and to a substantial proportion of the population in both urban and rural areas, producers and consumers, those with land or incomes who wish through co-operatives to improve productivity and earnings, the landless and those without capital of their own, for example the urban poor, who can be organised, through co-operatives, with outside assistance, but also to a large measure through self-help, to rise above their present low standard of living.

Changes in the economic and social structure of a country may include a more equitable distribution of, say, land or resources. Co-operatives are often used for example as the basic institution for carrying out schemes of agrarian reform.

These circumstances favour a multi-disciplinary approach to the promotion and development of co-operatives and a preference for programmes in general fields (e.g. co-operative management, training, education, organisation, legislation) not limited to specific classes or groups of people. This preference does not of course exclude assistance to specialised or specific types of co-operative activity (e.g. credit, supply, marketing, housing, consumer, banking, insurance) but, wherever possible, such assistance is given within the context of a unified co-operative movement and is not developed in isolation. Most developing countries, in particular in the rural areas are characterised by a real scarcity of basic economic institutions and qualified staff to man them at the local (e.g. village) level. Consequently, the approach is to encourage wherever feasible the organisation in such areas of co-operatives with multiple functions.

Because co-operatives are recognised by governments and others in developing countries as appropriate and flexible instruments for national development purposes, the ILO is pursuing a policy of trying to encourage unity in co-operative movements through co-ordinated and inter-cooperative activities so that the resources of a co-operative movement can be put to use for the benefit of all members. Thus an important part of technical assistance is in policy advice to ministries or other institutions covering the whole range of co-operative programmes in a country. Very frequently, where there is a sole ministry with over-all competence for all types of co-operatives, it is the Ministry of Agriculture or Rural Development rather than, say, the Ministry of Labour or of Trade and Industry. Emphasis, where possible, on such comprehensive policy advice does not exclude policy guidance to ministries with competence for specific types of co-operatives (e.g. industrial, housing, school co-operatives, etc.).

Whilst encouraging the use of a wide variety of co-operatives for development not only in rural, but also in urban areas, technical assistance is, of necessity, linked to the policies made for and the resources allocated to co-operatives in national development plans, and sometimes to schemes of investment from outside sources (e.g. IBRD, UN Capital Fund, bilateral aid), as well as schemes of capital formation within the co-operative movement itself. This is to make sure that the aid is applied not on the basis of theory, but with the real chance of practical and concrete impact on the livelihood of the people being helped. For this reason, for example, great importance is attached to the build-up of a co-operative financing network serving all types of co-operatives, which can be a channel for development funds and at the same time build up the co-operative movements' own finances.

Conversely, technical assistance in co-operative development has to be based on valid, sincere and clear policy commitments on the part of government. In some countries lip-service is paid to co-operative development, but the prerequisites for success (policy commitments, resources for development, adequate supervisory and technical government support, etc.) are not provided, or where they exist they have little impact at the primary level. In other countries co-operatives become the tool of political forces. It is felt essential that the support of government to co-operatives must be seen to be genuine and for the right reasons, namely the socio-economic benefit of the people and their participation in development.

Given this attitude it is often the task in technical assistance to identify the prerequisites in the form of resources, facilities and infrastructural support that will be required as the platform for successful co-operative development. Hence the priority given on many occasions to advisory missions on general co-operative development policies as a curtain raiser for more specialised types of assistance.

KEY AREAS OF EMPHASIS

In programmes of technical assistance these include the following:

Institution building: the build-up of co-operative societies at the primary level (i.e. where the members are individuals, e.g. in the same village, the same factory, etc.); at the secondary level (where primary co-operatives are the members of, say, a district or regional co-operative); at the national (or tertiary) level where primary and district/regional co-operatives are members. The aim is to establish a structure in the co-operative movement, where co-operatives at the different levels undertake the services they are most capable of handling for the benefit of all. The integration into a unified co-operative movement will also make it easier for the co-operatives to be treated as a sector, distinct from the public or private sector, for development purposes. A parallel aim will be to make sure that the internal organisation of the individual co-operatives at different levels is satisfactory.

Income distribution: to encourage the use of facilities and services to try to cut overheads and the number of links in the often long chain of intermediaries, each of which contributes to higher costs and thus to ensure that the producer, be he a farmer, a craftsman or whatever, gets a fair share of the fruits of his labour.

Employment: to explore how co-operatives can help in generating extra employment opportunities, especially in rural areas amongst those only seasonally employed, craftsmen whose skills or potential skills are being underutilised, those with marginal landholdings, the landless and underprivileged. These will often include women and young people, especially school leavers.

To explore also how to improve existing conditions of work, including the maximisation of incomes. An important aspect of this area of emphasis will be the stemming of rural exodus by trying to give stability to communities in rural areas.

Living costs: to cut costs by building up a co-operative network, countrywide, where possible, to regularly supply household needs, particularly food, as well as production requirements (including imports) at reasonable prices to consumers and producers in both urban and rural areas.

To try and minimise conflicts of interest between consumer and producer by inter-cooperative collaboration. Also by fixing reasonable cost margins in pricing and by such measures as quality control to protect the consumer from exploitation.

Training and education: to provide technically qualified staff for employment by co-operatives at all levels, linked wherever possible with reasonable salaries and other terms of service.

To make sure that members of the boards of management of co-operatives have sufficient knowledge of the affairs and objectives of the co-operative to be able to direct and control policy, programmes and personnel, and to educate the general members of co-operative societies in their rights and obligations.

Local leadership: as a co-operative is based on self-help and initiative, leadership amongst a local community is essential. It has often been said with a large measure of truth that "Co-operatives are only as good as their leaders". Education and other programmes aim at seeking out dynamic and devoted leaders of stature for co-operatives at all levels.

Involvement of people in development: again as a product of education and information programmes and through such incentives as economies of scale and elimination of vested interests members are encouraged, through understanding of the role of their co-operatives and their own responsibilities towards them, to involve themselves fully in the activities of the co-operative society (e.g., attendance at general meetings to exercise their rights and responsibilities as members serving on boards of management and other committees at different levels, making use of the services and facilities offered by the co-operative). Through genuine group effort the members would take an active interest in the well-being of their co-operative and in planning future activities. Thus by furthering the objectives of the co-operatives they participate in the process of development. The aim is to stimulate positive attitudes in the community and to remove the all-too-pervasive tendency of people to be passive and dependent, in consequence, on continuous government aid and benevolence. Thus co-operatives are seen, ideally, as a means of reducing burdens on governments and, even, in the long run, of cutting down government expenditure.

METHODS AND OBJECTIVES

Comprehensive

Co-operative development policy guidance

Such technical assistance may be given either by the Regional Advisers on Co-operatives that ILO has stationed in some of the major regions in which developing countries are situated (Africa, Asia, the Middle East, Latin America), by individual experts, or by special consultancy missions of short duration.

Such assistance is aimed at trying to help governments to define the role, including legal status of co-operatives in national development, to determine the necessary financial and human resources and to work out priority areas for development and in which technical assistance may be required.

Co-operative development centres

Help in setting up and getting going co-operative development centres, some, for example, in Latin America called institutes of co-operative development, is proving one of the most effective areas of ILO technical assistance to co-operative development. Such a centre is intended to serve as a focal point on which to concentrate all available forces for co-operative development. Thus a typical centre will have the functions of:

- technical guidance, often at field level, in organisation, management, financing (e.g., feasibility studies) of the various different types of co-operatives (consumer, credit, supply marketing, transport, housing, crafts, etc.);
- supervision, regulation and audit (the co-operative department of the ministry responsible will often be an integral part of the centre);
- collection of data and other information about co-operatives;
- dissemination of information, designed to gain the support of government and local authorities, as well as the general public for co-operative development.

Such centres may be semi-autonomous bodies set-up by special legislation, allowing for, often, a board of management that can be drawn not only from government, but also from the co-operative movement itself. This permits popular participation in development at an early stage. It is also possible as the centres increase in efficiency and grow in strength so that they may be transformed into or taken over by a national co-operative organisation, thus fostering the independence of a co-operative movement in such areas as training, education, financing, technical guidance through advisory services. The concentration of effort in a co-operative development centre is very much in line with ILO's motivations to promote unity of a national co-operative movement involving all sectors and thus to make unified facilities and services available to the movement as a whole.

There is no standard formula for the organisation of such a centre. However, technical assistance to a centre will usually include a team of experts in different specialisations (co-operative management, education and training, accounting, credit and banking, consumer, crafts, marketing, etc.). This team of experts often helped by short-term consultants, especially in very specialised fields, associate experts and volunteers, will assist the centre until it gets well-established and can be run by national staff. There is usually a provision for fellowships to upgrade local counterpart staff at the centre to this end.

The technical assistance will include a component for transport and travel so that the centre is not an "ivory tower" - an academic seat of learning, but rather an institution which can reach out to

co-operative members and their societies to give "on-the-spot" guidance, training and education. Because of frequent contacts with those whom they are serving, the staff of the centre will be able to adapt activities undertaken at the centre to real needs and practical situations.

In order that the co-operative development centre can prepare education and training material, technical assistance often provides for the establishment of a materials production unit for the production of manuals, handouts, brochures, teaching aids (films, cassettes, flip-charts, etc. - often of the simple audio-visual type). In the interests of "decentralised" education and training, the centre may be helped through the technical assistance programme with mobile education vans.

Whereas the team provided by the ILO usually forms the core of the expertise available to the centre, because of its focal nature, other aid-agencies (international, bilateral, volunteer organisations) sometimes attach to the centre any aid they are giving. This helps to bring about an integration of technical assistance which cuts out duplication and makes the best use of resources available.

For such centres to be successful - apart from the quality of the technical assistance offered and the efficiency with which it is delivered, there has to be a very large measure of local commitment on the part of governments, other concerned bodies and the co-operatives themselves. Thus some criteria for success, which could be worked out in a preparatory stage before a centre becomes operational, will include - clear policy declaration by the government on the role of the centre,

- the allocation of financial and human resources to the centre, preferably within the framework of a national development plan;
- the representation of co-operative, as distinct from state, interests on the board of the centre;
- the infrastructure for buildings, furnishings, at the centre;
- recognition of the centre as a training institution by the national authorities responsible for education and training;
- provision of an official statute for the centre, including policies for its staff. Centres of this kind have already been established in the Ivory Coast, Cameroon, Botswana, Swaziland, Papua New Guinea, Yemen.

In some countries where co-operatives are relatively well established and facilities and institutions available in several fields, the task to be performed is of a more sophisticated nature - aiming at the reorganisation of co-operatives through the introduction of advanced management systems and techniques. The example of this is the Co-operative Management Centre in Sri Lanka. One of the aims

of assistance here is to upgrade the operational efficiency of co-operatives as business enterprises capable of competitive services which may be of quite complex types for their membership. This is in line with the move towards the establishment of larger co-operative units able to hold their own in the business world and a move away from the small "village" level co-operative, which can usually offer only very restricted services because of limitations of management.

Regional training and advisory services

Where there are several countries of a region with common interests in co-operative development, but because of their size or the limitation of national resources, unable to sponsor or indeed to absorb, individually, large-scale technical assistance (the Caribbean is a good example) advisory services and management training can be offered on a regional basis. Different components (consumer co-operative development, agricultural co-operative development, credit and finance, co-operative education and training) may be located in individual countries of the area where they have the best prospects of local institutional support and from where they can offer knowhow and training to the other countries concerned. An important product of such a regional approach to technical assistance can be that it may lead to the setting up of regional co-operative organisations that can benefit the different countries that co-operative education and training programmes can be provided for several countries, thus saving duplication of effort and unnecessary expense; legislation, as well as procedures and practices in business management and organisation, once tested and proven, can be standardised for the region as a whole.

Specific

Co-operative education/training

Experts, fellowships, equipment for improving the teaching capacity and competence, for example, of a co-operative college, upgrading of managerial, business, technical and other skills of co-operative society employees, co-operative officers (government), members of boards of management; the dissemination of knowledge about co-operative practices, principles and objectives to the members of co-operatives so that they are aware of their rights and their responsibilities.

Education is often aimed at illustrating to members and others the social impact that their co-operative can achieve. One recently developed type of assistance is in promoting programmes, particularly of education, through co-operatives to build up an awareness of family welfare, responsible parenthood and, where appropriate, of population issues. Parallel with education programmes, technical assistance in this field also seeks to encourage co-operatives to use surplus funds in providing social amenities to the community (water supplies, kindergartens, community centres, dispensaries, etc.).

Co-operative accounting

Technical assistance in showing and teaching how books of accounts of a co-operative society should be properly kept.

Co-operative credit, financing and banking

Aimed at helping to build up strong financing institutions for mobilising and channelling funds for the benefit of co-operatives of all types, as well as for building up "co-operative capital", working out sound systems of credit for producers of different types (e.g., farmers, craftsmen) covering the conditions of loans, methods of issuing them, ways for recovery, the encouragement of thrift (savings).

Co-operative supply

As measures for cutting living costs to help in establishing network (wholesale and retail) and efficient methods as well as giving related training for the distribution of consumer goods to reach the people in need regularly, rapidly, in sufficient quantities at reasonable cost. This type of assistance will also cover such areas as the organisation and management of warehouses, supermarkets, etc., the determining of suitable types of shops and stores for different locations (urban, rural, for workers in factories, etc.).

Co-operative housing

As an important way of improving living conditions (and indeed cutting living costs), both in rural and urban areas. Housing co-operatives can assist members in obtaining accommodation for ownership or rental at reasonable cost, and can provide ancillary services to make life more comfortable and attractive (shopping centre, playgrounds, parking, etc.). Technical assistance helps in identifying the best ways of setting up housing co-operatives in particular conditions, in working out ways of financing, in training and organisation.

Development of crafts and other employment opportunities through co-operatives is a form of technical assistance especially relevant to rural areas where farmers are often employed only part of the year, where members of their families are in search of work, where there are many landless, many of whom have traditional and other skills which could be utilised through training and work opportunity to obtain an income.

Activities that can be stimulated and supported by co-operatives in this context include crafts, processing (e.g., fruit preservation and packing), labour contracting for taking up work on roads, buildings, etc., trades for specific groups of artisans such as mechanics, carpenters, etc. Technical assistance will cover such aspects as financing, supply of raw materials, joint production facilities (e.g., workshop, machinery, equipment), marketing and organisation. Similar types of assistance may also be given to workers, craftsmen and others of the labour force in urban areas.

Workers' co-operatives

Technical assistance is sometimes requested by workers' organisations principally trade unions, because they recognise that the co-operative method can bring economic benefits to their members who often have common interests. This is particularly so in fields of consumption - shops, housing, etc., as well as of savings and credit. Such co-operatives are often in urban areas and sometimes situated in the actual place (e.g., factory) where the union members are working.Another type of workers' co-operative being promoted is that of joint production.

School co-operatives

The teaching of the subject of co-operation in schools is encouraged, supported by practical activities organised on a co-operative basis in such areas as thrift, small shops, school gardens, etc. The idea is to introduce the young to the principles and practices of co-operatives in the hopes that they will gain a positive attitude towards them and show an increased willingness to join co-operatives in the future.

RESEARCH AND RELATED SUPPORT

Research/information

An essential support to any technical assistance programme will be a linked programme in co-operative research and information. The ILO has conducted such a programme over many years. Activities include:

- the publication of the periodical Co-operative Information in three languages (French, Spanish, English) appearing at least three times a year - giving, as the title indicates, information, data, experiences in such areas as theory and methods, laws and regulations, history, new types of co-operative action in both developed and developing countries, co-operative statistics, news of co-operative publications;

- supplements in such subjects as co-operative bibliography, list of manuals in co-operative education and training, directories of co-operative jobs, education and training institutes, co-operative laws, decrees and regulations in force, chronology of co-operative events up until 1975, an international directory of co-operative organisations by country, and a special co-operative directory on Africa;

- technical notes on specific subjects of practical application for use by experts in the field; model laws, regulations and by-laws for co-operatives and pre-cooperatives, manuals for education and training purposes, studies of draft co-operative legislation.

Contacts

A part of the research/information programme involves participation in working groups and meetings, as well as in active research (e.g., in co-operative education and training, co-operative press, co-operative financing) organised for example, under the auspices of the International Co-operative Alliance. Furthermore, through common interests the ILO has established very close working contacts with many co-operative institutions and enterprises in countries with advanced co-operative movements. These are important extra sources of support and further assistance to co-operative development programmes in developing countries. They serve as training grounds for co-operative personnel from such countries and as a reservoir of technical knowhow that can be drawn upon by emerging co-operative organisations for a wide variety of skills and business activities.

CONSTRAINTS AND PERSPECTIVES

National co-operative development policies

Government assistance to co-operative development will certainly continue to be needed in the early stages of co-operative organisation. However, it should not entail any obligations contrary to the independence and/or the interests of the co-operative. In addition there seems to be a need for a government commitment for gradually phasing out assistance as and when the co-operatives can take over the whole responsibility for their management and development. There is an evident requirement in many countries for a clearer formulation of national co-operative development policies, setting out the distinctive roles of government and of the co-operative movement, and providing for a move away from excessive dependence by co-operatives on government, and conversely from excessive influence of governments and other authorities over co-operatives.

Staff training

A stumbling block in the development of really efficient co-operatives is either lack of good managerial staff or alternatively a rapid turnover of personnel, particularly in rural areas. As already indicated, one of ILO's main technical assistance thrusts is to improve management standards either through effective training or by encouraging larger and sounder co-operatives that can afford to pay qualified managerial staff.

However, there are obstacles:

- a lack of good practical training material in co-operative management, which can be well understood and applied by those being trained for work in co-operatives;

- linked with the above, ineffective teaching techniques, and inadequate arrangements for meeting the training needs of those who cannot be reached by formal methods of training (e.g., in a college);

- inferior conditions of service (salary levels, pension schemes, fringe benefits, social security) compared with those working for state or private enterprises.

New approaches are being made in technical assistance as attempts to surmount these obstacles:

- by seeking ways of producing, systematically, manuals on co-operative management "tailor made" for those who will be working at the different levels in a wide variety of different types of co-operative;

- by clarifying and teaching improved training techniques, for example, by seeking non-formal methods of training which will reach and have an impact on outposted co-operative society personnel (e.g., self-instruction, mobile training units, advisory/ extension services for on-the-job training);

- by giving emphasis to the need to build up national personnel and career policies within co-operative movements, to introduce wherever possible systems of continuous in-service training linked to promotion opportunities;

- by making available, through consultants and close contacts with advanced co-operative movements, high-level advice and training in very specialised areas (e.g., supermarket management, insurance).

Widening the impact of co-operative programmes

Co-operatives in several developing countries benefit "the haves" but give little help to the "have nots". The most common co-operatively organised activities bring better incomes or provide goods at lower cost but tend to take for granted that those benefiting are already wage earners or landholders. A basic aim of some of the technical assistance programmes being planned is to find ways and means through co-operatives of helping the underprivileged groups such as the landless, the disabled, the poor - both urban and rural.

Programmes will be worked out to help women - to have greater access to co-operative education and training, to take a more active part in the life and affairs of co-operative societies, to find increased opportunities for employment, to make more extensive use of services offered by the co-operatives (for instance, in some consumer co-operatives where woman's involvement should be dominant in her role as manager of the "housekeeping"). To achieve such involvement requires a careful approach, especially in countries where by tradition the woman has a special defined and regulated status.

More attention in technical assistance will be given to introducing young people to co-operation, not only through education and training but also through practical experience in co-operative ventures such as thrift clubs, shops, common cultivations, work programmes for school leavers, land settlement, forestry and land

development schemes. Co-operative education of the young can be a good preparation for further training which can be much more oriented to practical problem solving and the acquisition of particular skills.

To show that co-operatives can be of benefit to wide varieties and classes of people, attempts will be made to try and involve in co-operatives also the "leaders" of society - those who make the pace in opinion making and who thus can have substantial influence, for example, on the attitudes of government to a co-operative movement, those who can contribute to co-operative capital formation, the "professional" classes - the lawyers, the doctors, university teachers and the like. The most effective way of associating such classes with co-operative activities may be through the role co-operatives can play in helping to solve problems of unemployment and underemployment, in stemming the flight from land, in cutting living costs and pegging prices, and through the social benefits co-operatives can bring to a community.

A large section of the community virtually untouched by co-operative forms of activity so far is the urban poor. Attention will be given in future technical assistance to working out effective ways of setting up, on a co-operative basis, small-scale industrial enterprises, as labour-intensive as possible, for the employment of such people.

In addition greater efforts will be made to interest town dwellers (not only urban but also those living in large centres of rural population), generally, in forms of co-operative activity that can improve their lot and that of their community e.g., consumer co-operatives, housing, thrift and credit, insurance, social security, etc. Once again the attraction of the co-operative should be its use as an instrument to improve incomes, working and living conditions (removal of slums, shanty towns, etc.).

Many co-operatives at the primary level in rural areas are engaged in assembly and marketing of produce. They very often need to be supported by a processing plant (e.g., ginnery for cotton) which would usually be located in a central area - in a town. These "urban" - based co-operatives processing plants can on the one hand improve the incomes of rural producers by stimulating production and keeping down costs, on the other provide employment to town dwellers.

Co-operatives and capital aid

In encouraging new groups (the underprivileged, the disabled, women, young people) to take on co-operative activities, and co-operatives to play a more ambitious role in national development plans and to enter into more complex ventures, the means for them to do so must be made available. Thus a feature of many of the "new" sectors of the target population will be their lack of monetary resources. A feature of many programmes to be operated by co-operatives will be the need for an initial substantial capital input.

An important approach in planned technical assistance is linking co-operative action with capital aids - for example, in trying to

organise low cost housing schemes, in rural or urban areas, for people of very limited earnings; in organising special work programmes for women, young people and generally for the "have nots"; in setting up capital-intensive operations in areas where local capital among the population is small e.g., intensive beef production, broiler industry, supermarket construction, fertiliser distribution. Where co-operatives have key roles to play in national development plans e.g., distribution of food-stuffs, consumer goods, farm inputs, marketing of produce, then development funds - capital for investment in infrastructure (buildings, transport, equipment) as well as working capital have often to be provided, at least at the initial stages, from external sources, and usually in the form of loans. Co-operative programmes may therefore expect to become very closely linked with different programmes of "capital" aid, e.g., government allocations to national development plans, the World Food Programme, the UN Capital Fund, the World Bank, grants and loans from bilateral sources.

One particularly practical use of capital aid to co-operative development may take the form of financial support for setting up and running production and service centres for such undertakings as processing plants, handicrafts and other types of small-scale industry. The initial functions of such centres will be:

- to provide facilities for processing locally available raw material and products (either agricultural or non-agricultural) thus creating an outlet for production and employment for the surrounding community;

- to provide facilities for training and upgrading in skills both technical and managerial related to these activities;

- to make of underemployed labour (including women and young people) living in the neighbourhood in production and in the early stages of preparation or processing (e.g., spinning, preparation of hides and skins, etc.).

These activities and common facilities provide the basic elements for a co-operative enterprise. Such an enterprise could gradually expand into other services such as credit, supply, storage, marketing, etc. as well as meet other essential needs. In this way the centre would serve às a kind of "power unit" to generate new employment and productive activities and be a focus for a general rural development scheme. Because such centres must, at least in the long run, become economically sound business enterprises, at the outset there will be need for careful in-depth feasibility studies of the economic potential of such ventures.

With this increasing importance of linking co-operatives and their development with capital aid, the ILO policy of trying to help build up strong co-operative financing institutions (especially banks) in developing countries grows in significance. These banks may serve as a channel for development capital of all kinds; they can give technical guidance to the co-operative on the use of the funds; they will

serve as guardians of the well being of the co-operative movement by regular inspection and control. Furthermore, because they are co-operative banks they will attract the funds of the co-operative movement itself in trying to build up gradually some financial "independence". In this way, although external capital aid is a necessity, it will not become an excuse for co-operatives not to build up capital and other resources of their own.

Social benefits

An objective of co-operatives which has not received sufficient attention in developing countries is the way in which they can bring social benefits to their members and to the community. The very operations of a co-operative, where they are effective, will of course bring social benefits like more equitable distribution of income and improved working and living conditions. However, more emphasis needs to be placed on direct methods to be used by co-operatives in this field. An example would be the more widespread and effective use of surplus funds to improve social, health and educational facilities. This socially oriented use of funds earned by the co-operative fundamentally distinguishes this form of enterprise from those inspired by economic considerations alone.

INDIA

Co-operative Sugar Industry in Marathwada
A "Lead" Industry for Development (1)

The economic and industrial development of the Marathwada region (Maharashtra State) has lagged behind, in spite of good potentials. The region is gifted with perennial rivers such as the Godavari and the Purna; the land is very fertile and could produce not only food crops like jowar, wheat, hajra, pulses, but also cash crops like cotton, sugar cane, as well as banana and other fruit crops. The Purna River Project and the Jayakwadi Project on the Godavari river have created important water supplies, and will provide irrigation for as many as 10 lacs (1 lac = 100,000) acres of land. In addition, the Marathwada region will also benefit from the Upper Penganga, Manjara and Nandur-Madmeshwar Projects; it will be able to produce three to four times more than it does presently, not only because of increased irrigation possibilities, but because of the use of high yielding varieties, of fertilizers and of advanced agricultural techniques.

Thus, the agricultural development of the region will generate more employment opportunities and there will be more scope for the development of agro-based industries, such as sugar-cane factories.

The economic and social development of the region should be based on the equitable distribution of growth benefits which should not remain concentrated in the hands of a few families only. In order to achieve this equitable distribution, the Governments of India and of Maharashtra State have adopted the pattern of co-operative business organisation, and no further licences have been granted to private companies in the sugar industry. Sugar-cane growers have become members of the sugar-cane co-operative factory; they process their produce in a pooled manner and sell the sugar directly to the consumers.

Because the Government of India closely controls the processing of sugar as well as the sales, there is need for improving the working efficiency of the factory in order to increase the returns to cultivators. This improvement should be carried out at all levels of the co-operative organisation, at the level of the sugar-cane cultivators in the field as well as at the various stages of sugar processing in the factory. Only on this condition will the share of

(1) By R.M. Kharche, Deputy Registrar of Co-operative Societies (Organisation and Method), Office of the Commissioner for Co-operation, Pune-1, Maharashtra.

the producer, i.e. the sugar-cane grower, be maximised; the sugar-cane grower will ultimately become a sugar producer and will contribute towards the social and economic development of the region.

At present, there are 15 co-operative sugar factories in Marathwada, of which eight only are operational and the amounts of sugar-cane crushed, sugar produced and recovered during the 1975-76 season are given below:

Table 1

Name of the factory	Crushing capacity per day TCD	Sugar cane crushed during 75-76 season (tons)	Percentage of recovery	Sugar produced bags
Gangapur SSK Ltd.	1,016	123,787	10.61	131,278
Terna SSK Ltd.	2,000	268,338	11.23	301,432
Shetkari SSK Ltd.	1,250	161,820	11.30	182,860
Kalambar SSK Ltd.	1,250	129,995	10.73	139,547
Kannad SSK Ltd.	1,250	105,578	9.47	99,941
Sillod SSK Ltd.	1,250	112,449	10.43	177,268
Vinayak SSK Ltd.	1,250	52,332	9.67	50,607
Ambejogai SSK Ltd.	1,250	69,602	10.95	76,198
Total		1,023,901	10.26	1,099,131

Table 2

Statement showing the area under sugar cane in hectares in Marathwada region

Name of the district	70-71	71-72	72-73	73-74	74-75
Aurangabad	9,800	7,000	8,000	7,000	6,700
Parbhani	2,600	2,400	2,300	2,000	1,900
Bhir	2,000	2,300	1,600	2,400	2,200
Nanded	3,200	3,400	2,600	4,500	4,900
Osmanabad	7,500	5,600	5,500	7,700	6,000
Total (Aurangabad Din.)	25,100	20,700	20,000	24,600	21,700

Source: Bureau of Economics and Statistics, Maharashtra State.

Out of the other seven sugar factories, two will start production very soon and the remainder are in the process of collecting share capital and are making progress towards placing orders for equipment and machinery in view of starting production as soon as possible. Some of the sugar factories which have been established in Marathwada are facing serious difficulties because of the low quality of the sugar-cane produced. However, such difficulties should be overcome within a year or two when the irrigation potential can be utilised adequately.

Even though 15 sugar factories have been formed, the local leadership is keen to organise more co-operative sugar factories in Marathwada and efforts are being made in that direction. Table 2 above gives the sugar-cane area in hectares in the five districts of Marathwada during the last five years and shows that the surface of the cane cultivated area in Marathwada has varied over the last five years; there was a considerable drop during 1971-72 and 1972-73 particularly because of the drought. During 1974-75 the areas under cultivation were less important than during 1973-74 because of the inadequate planning of sugar-cane cultivation in the region. The present sugar-cane cultivated area, realistically speaking, is sufficient for only five to six sugar factories with a capacity of 1250 TCD each, which means that it can feed only 75 per cent of the existing capacity and only 40 per cent of the allowed capacity of sugar industries in Marathwada. The area under cane cultivation is likely to increase considerably during the coming years, but scientific and planned efforts should be made by the factories themselves. It is hoped that this responsibility will be carried out by factories in Marathwada in order to foster additional development of the co-operative sugar factories, particularly in the canal areas on the right and left banks of the Godavari, Purna and Manjra Projects. Even if it is considered that the setting up of additional sugar factories in Marathwada region will take some time, the present co-operative sugar factories will have an impact on the development of the region; they not only will increase the income of their members but also create employment opportunities for the local people. These factories can also, through proper planning, become the focal points of the development of the region. The following types of activities could be initiated with the help of the co-operative sugar factories:

- creation of direct and indirect employment opportunities, i.e. inside and outside the factory. A co-operative sugar factory with a capacity of 1250 TCD requires a labour force of 400 permanent and 800 seasonal workers inside the factory itself; in addition, it needs for the harvesting and transport of sugar-cane, 6000 male and female workers, 100 trucks and 800 bullock-carts for a period of nearly six months. There is considerable scope for employment and this can definetely help in shifting the burden of employment on agriculture, thereby improving agricultural production as well as increasing the individual income of the workers employed in the sugar factories; the purchasing power of workers would be further increased, thereby creating a demand for consumer goods;

- by-product industries. Once the cane has been processed, many by-products are left which could be utilised profitably; among these, the most important are molasses, bagasse and press mud. The Marathwada Development Corporation is presently studying the possibility of setting up by-product industries such as distillaries, paper and card-board factories, wax plants, oxalic acid and acetic acid plants, furfurals and many other derivatives of alcohol. One distillary has been authorised to start production at Terna Dhoki and there is a demand for another at Kannad. Following the recent prohibition policy announced by the Government, the factories could start producing alcohol derivatives, which are very costly and which are required in large quantities for various medicines and chemicals. At present, bearing in mind the total number of sugar factories either in operation or expected to start production, it is estimated that three to four alcohol derivatives production plants and at least five small card-board and paper plants will be set up in Marathwada. These by-products industries, in turn, will increase the number of job opportunities in the area and will favour the economic advancement of the people;

- improvement of agricultural technology. A co-operative sugar factory generally groups 4000 to 5000 cultivators within an area of approximately 20sq. miles; its agricultural and engineering departments should be responsible for the organisation of extension programmes to be carried out by their own technical staff in order to help cultivators - who are also members of the co-operative - to improve their production of sugar-cane per acre by introducing them to new agricultural techniques, by ensuring the regular supply of seeds of improved varieties and of fertilizers, by teaching them how to utilise farm-waste for compost and how to make a better use of irrigation. Cultivators should also have the possibility of obtaining the necessary financial assistance.

Such extension programmes should also aim at helping cultivators to improve the production of other crops through the organisation of seminars, group discussions, demonstrations and, if necessary, by organising competitions between the cultivators themselves. Furthermore, the factory should carry out soil testing and provide agricultural implements (tractors, etc.) by arranging for loans to be granted by a competent agency. Cultivators should also be encouraged to undertake poultry farming and keep dairy animals, thus adding to their income as well as increasing the production of food items which are badly needed because of the growing population.

As a socio-economic organisation, a co-operative sugar factory should not only let its own members benefit from its various schemes, but also extend such schemes to non-members residing in the area covered by its operations. One of the results of such activities would be the strengthening of the links between the sugar factory and the rest of the population of the region, which would result in the complete integration of the latter and strengthen the sense of brotherhood among all the inhabitants of the region.

Agricultural development can only be ensured if co-operative sugar industries first establish and implement adequate plans, with a three-sided integrated approach. Agricultural development can be carried out successfully only with the help of a well-organised co-operative sugar factory; and the activities to be implemented by the factory within its area of operation should be as follows:

- gradually increase the area under irrigation: this can be done by digging new wells, increasing the number of pump-sets and the supply of electric equipment for pumps. The Government and other agencies should make every efforts to rapidly undertake minor, medium and major irrigation schemes. Whenever required, the sugar factory could play the role of the promotional and co-ordinating agent amongst all the agencies involved in the implementation of the above schemes, to ensure their rapid completion; cultivators' requests for new wells, pump-sets, etc. should be centralised by the factory which would then submit them to financing agencies such as the Land Development Bank and the Nationalised Banks. At the same time, the factory should endeavour to systematically collect complete information and statistical data on agriculture proper as well as on the number of wells, pump-sets, tanks, lift-irrigation schemes and other projects; on the basis of such information, it will be possible to determine the priority to be given to these projects. Irrigation is the most important factor in boosting agricultural production, and it should be of primary concern to the co-operative sugar factory since, on the other hand, obligation towards the cultivators residing in the factory's area of operation should be fulfilled and conditions created so as to improve their standard of living through increased agricultural production;

- increase the area under cultivation: the sugar factory would then be able to obtain the quantity and quality of sugar cane needed and, on the basis of its estimates, would be able to determine which varieties of sugar cane should be planted in the area (Adsali, Seasonal, pre-seasonal or Ratoon) to keep the factory permanently provided with sufficient quantities of good matare during the whole crushing season, with maximum quantities of recovery sugar. The sugar factory's management should plan the cropping pattern of each of its member-cultivators, taking into account the type of soil and the irrigation available so as to maximise production: as a result, cultivators residing in the area of operation would increase their income and contribute to the growth of the national production;

- cultivators should be given the opportunity of using advanced agricultural techniques, with the help of various teaching and training methods such as lectures, seminars, group discussions, demonstrations, information bulletins, etc. The factory staff should be available for continuous supervision and assistance to the member-cultivator, especially at the time he starts putting advanced techniques into practice; extension activities can cover every required aspect of development, such as popularising poultry and dairy farming, Gobar-gas plant, compost making, etc.

It should be reported here that Marathwada sugar factories do not presently get sufficient quantities of cane for their crushing operations, which affects their productivity, and the price for sugar cane paid to cultivators is not as remunerative as it should be. If, however, they decided to follow the above pattern of integrated agricultural development, they would no doubt be able to overcome these difficulties.

Social Development

Many sugar factories in the Maharashtra State have already done a good deal of work for the improvement of the living conditions of people residing within their area of operation. Although it has been said that co-operative sugar factories are capitalistic organisations, and that the advantages derived from their activities are distributed to sugar cane cultivators only, it should be recalled here that they have been carrying out a good deal of social work and that they have invested considerable funds in social schemes for the benefit of the rural people, i.e.: the running of schools and colleges; vocational training centres; health centres and family planning centres, veterinary clinics; they have encouraged small savings, provided assistance in cases of flood and famine, contributed directly or indirectly to development planning, generally improved the living conditions of the rural people residing within their area of operation, prompted the setting up of rural industries in the villages, and assisted the landless in the construction of their dwellings.

However, co-operative sugar factories in the Marathwada region have not been able to do much in this respect, having been more concerned with finding solutions to their own difficulties; as soon as they have settled their problems, they will be in a better position to carry out activities to help improve the lot of the rural population.

Another important aspect should be considered here, i.e. the degree of participation of cultivators in the management of the co-operative sugar factories of which they are members.

Co-operative sugar factories are governed by the Maharashtra Co-operative Societies Act of 1960. According to the provisions of this Act, the Board of Management is elected by the general assembly for a period of 3 years. Without prejudice to the provisions of the Act, the Government of Maharashtra generally nominates the first Board of Management of a newly formed sugar co-operative society for a period of 5 years. The members of the Maharashtra sugar co-operatives are, for the most part, small cultivators, of which more than 86 per cent hold barely 5 hectares of cane, and are represented on the boards of management of their societies. As a matter of fact, the cultivator living within a radius of 20 km of the co-operative sugar enterprise, who cultivates cane and who fills all the conditions prescribed by the Act, may become member of the co-operative and be elected on the board of management. Recently, the Government has made it compulsory that the board of management of every sugar co-operative

should comprise one representative of the less-favoured cultivators. This instruction has been followed by all the co-operatives in the state and a provision to that effect is stipulated in the bye-laws of all co-operative sugar factories.

The general assemblies of the co-operative societies are attended by 50 to 80 per cent of the member-cultivators who take an active part in all decision-making, either as concerns the control and approval of accounts, or as concerns changes in the orientation of the society's production, the capacity of production, the share-capital, etc. Likewise, they take keen interest in the election of the board of management. The participation of member-cultivators in the management of their society is therefore effective at two levels: at the general assembly level and at the board of management level.

In many cases, although not directly involved in management activities, a number of enlightened members show a keen interest in the development activities of their enterprise and make concrete suggestions to the board of management and to the general assembly. The decisions made by the general assembly and by the board of management are always reached through democratic methods.

Moreover, the system of relationship between the co-operative sugar factory and the workers employed by it contributes to the latters' promotion and, as a result, to the social development of the region. Two types of workers are employed by sugar co-operatives: the seasonal workers, who are occupied in seasonal jobs such as cane harvesting, transport and processing work in the factory, and permanent employees. A recent Government instruction has made it compulsory for one representative of the workers' union in every co-operative factory to sit on the board of management. In this way, all problems of direct concern to the workers may be submitted to the board of management and solved amicably; relations between management and workers are therefore greatly improved and are conducive to creating a favourable climate for the development of sugar co-operatives in Maharashtra.

As in the case of one of the co-operative enterprises where membership has been accorded to all permanent employees, it would be desirable to allow all workers to become members of their co-operative factories, not only in the interest of the co-operative movement as a whole, but for the further improvement of relations between co-operative management and workers.

Co-operative Sugar Factories as "Lead" Industries

From the above, it is clear that co-operative sugar factories could play an important and vital role in the development of the region and that, in fact, they could become "lead" industries. To understand more clearly how they could play such a role, it is essential to explain what is exactly meant by "lead" industry. In a development process, a "lead" industry is an industry which goes ahead and is followed by other industries, or carries out activities

which have a direct positive effect on the development of other industries. In other words, the development of a region depends more or less directly on the growth of the "lead industry" itself. The expression "lead industry" derives from the concept of the "Leading Sector" as developed by Hirschmann in explaining unbalanced growth. Thus, in a country with limited resources and where decisions have to be made as to the priority to be given to certain investments, and as to which sector of the economy should be developed from the start, the investments made in this sector have a backward and forward linkage with the other sectors of the economy. In the case of the sugar industry, if the available land as well as the irrigation potential are exploited in the best possible way, the investments made will definitely help the sugar factory to develop rapidly. In the same way, the development of the sugar industry requires many commodities: gunny bags, engineering material (including nuts, bolts and heavy steel material), various chemicals (lime, sulphur), electrical goods (including electrical wire, tubes, cables, bulbs, motors, pump-sets); heavy and minor repairing of the machinery. It is clear that many industries of the above type could be started in a region like Marathwada which is industrially backward - with the exception of gunny bags, since jute is not produced in the region - where 15 sugar factories already exist and where there is possibility to increase that number to at least 25.

Furthermore, other industries could very well be set up rapidly. For instance, the problem of the re-shelling and re-grooving of sugar mill rollers has become very serious. Every sugar mill roller requires re-shelling and re-grooving at least once in three to four years, which means that every year, each sugar factory has to get 3 to 4 rollers re-shelled and re-grooved. There are presently only one or two workshops in Maharashtra where such work can be done and at a very high cost: the charges for the re-shelling of one roller amount to approximately Rs. 12,000 to 13,000. Therefore, if an additional 15 co-operative sugar factories were set up in Marathwada, they would require the re-shelling of 40 to 50 rollers per year, and one large workshop could be set up for that purpose in the area. This same workshop could also perform other jobs of maintenance and repair of heavy machinery, as well as the assembling of various parts as required by sugar factories.

Furthermore, there would be plenty of scope for the installation in the area of industries manufacturing electrical material, chemicals, etc., if one considers the total annual demand for such materials by sugar factories.

A feasibility study of each of the industries mentioned above could be carried out in order to ascertain to what extent they could be developed in Marathwada. This is how the development of the sugar industry can play a role of "lead industry" in promoting many other industries.

The main by-products of the sugar factory are bagasse, press-mud and molasses. As already mentioned, many by-products industries can be started in Marathwada. Here also, considerable investments are

necessary and can even be more important than for the original sugar industry in Marathwada if industries like alcohol derivatives, paper plants, cattle feed, wax and such other by-products industries are started. This is exactly where there is a forward linkage between the sugar industry and the growth of the sugar industry which can lead the industrial development of the region.

Sugar industries could also play a role similar to that of certain banks after the nationalisation of 14 commercial banks. Those banks which were considered as "lead" banks were given the responsibility of financial planning of the granting of loans as well as the investments in the area, bearing in mind the requirements of the various sectors, in order to ensure a better economic development. It is therefore evident that sugar co-operatives could equally play the role of "lead" industry in planning social and economic development of the region, and should work in close collaboration with other agencies.

INTERNATIONAL

4th International Conference on Co-operative Thrift and Credit

The 4th International Conference on Co-operative Thrift and Credit was held in Rio de Janeiro (Brazil) from 17 to 21 April 1977. 392 participants represented 25 countries and 47 co-operative organisations; there were representatives from 7 non-governmental organisations and 3 governmental organisations.

The welcome address was delivered by the Chairman of the Federation "Leste Meridional" of Thrift and Credit Co-operatives of Brazil, Mr. Sidibé, Chief of the Co-operative Branch of the International Labour Office, delivered the keynote address, on behalf of the Director-General of the ILO; in conclusion, he expressed the wish that thrift and credit co-operatives would endeavour to transform credit from "a tool of servitude into a tool of liberation".

Speeches and discussions dealt with the following topics:

. Thrift and credit co-operatives as a response to specific needs, to new needs and to the needs of the poorest. In this respect, it was said that it was not sure that the classical version of the thrift and credit co-operative, as it is known in the so-called advanced countries, was the most suitable to the social and cultural context of the Third World countries, at least at the first touch of the formula. The invested thrift created riches that served better the community than the selfish bait of individual profit. Such a purpose of offering less favoured collectivities the economic instruments due to their development could not be achieved if not accompanied or preceded by a vast programme of education and motivation. In industrialised countries, thrift and credit co-operatives were marked by a facility for adaptation and transformation: created to satisfy certain needs, they were obliged to change at the same time as the needs of their members.

. Thrift and credit co-operatives faced with competition, which raises the question of their economic and social efficiency. Thrift and credit co-operatives, if they have an economic and service justification, cannot offer less service than the banks, and should on the contrary offer services more appropriate to the needs of their clients than those of other credit institutions. It supposes imagination and innovation which can be achieved through: updating premises and working methods; ensuring the guarantee given by reinforcing members' funds through guarantee funds; devising new techniques and adapting to the economic set up so as to cope with the monetary policy demands; protecting their members against the inflation and

adopting new practices regarding rates and delays for borrowers; updating accounting methods, establishing new systems of payment; educating in order to improve the performance of the personnel; operating a re-grouping of co-operatives; and improving the power of central co-operatives. Finally, co-operatives might improve their efficiency by adopting adequate co-ordination and concentration structures, maintaining at the same time the autonomy of their basic units.

. The conditions for efficiency of the co-operative sector. The social efficiency criteria of primary co-operatives are education, the participation of personnel, as well as the extension of their activities to other sectors. Social efficiency criteria of the federations should be, on the other hand, the result of a development strategy aiming at the improvement of inter-cooperation between institutions of the same sector, between institutions of different sectors and, in one or the other case, at the national and/or international level.

. The role of the savings and co-operative credit movement vis-à-vis the international economic situation and the monetary crisis. Thrift and credit co-operatives should undertake concrete and specific actions to help establish a new world economic order desired by all. Participants stressed the consensus reached by the conference on the objective (promotion of a development conceived for all men and for all man) as well as on the approach (necessity for dialogue and concertation) and regarding the means (each society will organise its development, by valorizing its own means and recognising reality of interdependence and its necessity). On this field also, various forms of technical co-operation were envisaged as regards international inter-cooperation as well as aid to developing countries.

At the end of its debates the conference adopted the following recommendations:

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* *

Mr. T. Sidibé,
Chief of the Co-operative Branch, ILO

Mr. R. Kerinec,
President of the ICA

Dr. A. da Costa Prieto,
Ministry of Labour, Brazil

FELEME

IV CONFERÊNCIA INTERNACIONAL DAS COOPERATIVAS DE ECONOMIA E CRÉDITO MÚTUO

RIO DE JANEIRO DE 17 A 24 DE ABRIL DE 1977

HOTEL NACIONAL-RIO

Recommendations

Relationship between thrift and credit co-operatives and the State

Thrift and Credit Co-operatives seem, more than ever, to contribute to the well-being of large sectors of population in the industrialised countries as well as in the developing ones. They are the instruments of economic freedom allowing man to assume his responsibilities with dignity and liberty.

Besides the economic advantages that co-operatives are offering their members, they are also playing a vital educational role in the democratic environment.

The National State should help create a climate in which thrift and credit co-operatives could flourish and develop. It should also assure these entities of the same legislative and other advantages as those conceded to traditional banks.

International inter-cooperation

There is a considerable need of assistance coming from the thrift and credit co-operatives of developing countries. Such assistance is possible on the part of industrialised countries. It should be coordinated at the national as well as international level.

Technical experiences of well developed co-operatives are a powerful crucible for the help to less developed co-operatives. This help should be adapted to the specific needs of co-operatives in the developing countries.

Quality of services

Members should be able to expect from their thrift and credit co-operatives, services of superior quality than those offered in traditional banks and at less cost.

Education and information, the definition of objectives and the means to attain same are an essential condition to, simultaneously, respect principles and achieve optimum technical efficiency.

With respect to the international situation

In a society facing an increasing economic and monetary crisis, credit co-operatives, due to their vocation and their experience, fulfil an invaluable mission.

If they wish to accomplish this mission, they should acquire the means to contribute to the construction of a more just and fraternal society.

Their primary contribution is to find the means of setting up a guarantee fund to aid those with little means, by seeking an association with other institutions.

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NETHERLANDS

Agricultural Co-operation

HISTORY, FORMS AND JUDICIAL POSITION

History

The weak market position of farmers and growers in 1880 led to the establishment of the first agricultural co-operatives. The first buying-in co-operative was set up in 1877, the first dairy factory in 1886, the first co-operative vegetable auction in 1887 and in 1896 the first co-operative agricultural bank. After that development was rapid, many other enterprises were set up and agricultural co-operatives in several sectors became relatively important.

After the Second World War, in line with the general trend in the economy, there was a concentration in the form of mergers and other forms of co-operation. As a result, the number of co-operatives is decreasing.

Excluding the approximate number of one thousand mutual insurance companies and service co-operatives, such as machinery co-operatives, co-operative dryers of green fodder, associations for artificial insemination, the Netherlands counted approximately 1,800 agricultural co-operatives, of which 1,200 are local banks, in 1973. On 1 January 1949 there were approximately 3,200 agricultural co-operatives.

Form

With a very few exceptions agricultural co-operatives are specialised for one particular activity such as supplying credit, buying horticultural and agricultural equipment processing and selling of milk, processing sugar beet into sugar, processing potatoes into potato-flour, selling and processing cattle and meat, selling eggs. As a result many farmers are members of several co-operatives.

The several forms of agricultural co-operatives in the Netherlands can be grouped as follows:

- credit co-operatives;
- buying-in co-operatives. These supply the farmer with all the requirements for his enterprise, such as cattle feed, fertilizer, machinery and tools, fuel, seed and other materials. They also sell for the farmer arable products, such as cereals, potatoes and seed;

- co-operatives for processing and/or selling agricultural products;
- service co-operatives which supply machinery and men for contract work, A.I., temporary personnel, drying of grass and green fodder and co-operative farm book-keeping offices;
- mutual insurance.

Judicial position

• General

The government of the Netherlands observes a strict neutrality towards all forms of enterprises and this applies to the difference between co-operative enterprises. Agricultural co-operatives in this country have therefore grown to their present position without any form of government support.

• Co-operative legislation

The first law on co-operative associations dates back to 1876. This law was replaced by the law of 1925 which is still in force. In addition there is a law on the right of forming associations and holding meetings of 1855 which provides that associations may be made for materialistic or non-materialistic purposes and the first provision has been used in the past for the achievement of co-operative objectives.

There is no separate law for mutual insurance. There is only one article in the commercial code which refers to this sector. This only stipulates that mutual insurance companies will be run on the basis of their own statutes and regulations. The other laws leave very much room for flexibility in the regulation of many aspects.

Meanwhile, a new legal regulation for associations, co-operative associations and mutual insurance companies came into effect in only 1976. The definition of a co-operative association is very different from that in the law of 1925. Under the present law there are no restrictions on transactions with non-members but the new law stipulates that transactions, except minor and occasional transactions, must be restricted to members. There is also a difference between the present and the new regulation with regard to the several forms of liability when a co-operative association is liquidated. The law of 1925 provides for legal liability (unrestricted for equal parts), modified liability (unrestricted for unequal parts or restricted for equal or unequal parts) and exclusive liability. The new civil code provides for: legal liability (unrestricted for equal or unequal parts), limited liability (equal or unequal parts) and exclusive liability. The legal, i.e. unrestricted, liability for equal parts is applicable if there is no provision in the statutes about liability.

• Tax legislation

Since the introduction of a tax on partnership companies in the Netherlands in 1942, co-operative associations have in principle become liable to taxation just as other legal persons.

Retained profits are taxed in principle at 46 per cent. Before 1969, however, price increases or price reductions for members which were determined on the basis of transactions with them, were exempt from taxation except in some special cases. However, a new law of 1969 stipulates that distributions to members would be taxable if they are in excess of a market price which has been determined at a certain amount for the goods which have been delivered by the member. Moreover, a larger part of the distributions become taxable as the co-operative becomes more "independent".

The total amount of distributions by co-operatives to corporate bodies is taxable. On the other hand, profit shares which have been received by a co-operative for participation in another co-operative or in a company with limited liability are exempt from taxation and the same applies to a limited liability company.

• Internal organisation

The General Assembly of members is the most important body in a co-operative association. The General Assembly appoints and discharges the executive and the controlling council. The controlling council controls the executive treasurer's accounts and report to the General Assembly. The executive of the association also must give an annual account of their administration to the General Assembly. It is usual for the executive to appoint and to discharge the director or directors of the co-operatives. These are accountable to the executive. In large co-operatives, it is usual for the General Assembly to be replaced by a council of members, a small group of persons who have been elected from the members. The activities of the co-operative will be divided into sectors and for each sector, one or more representatives sit in the council of members.

The law of 1925 stipulates that a co-operative must have at least 200 members if it is to have a council of members. The new law does not stipulate anything with regard to the size of the co-operative.

ORGANISATION AND REPRESENTATION

Organisation

It has already been pointed out that co-operatives in the Netherlands are usually specialised in one branch of activity. The result of this has been that generally speaking there have been attempt to establish a rapprochement in each sector. This development, however, has been spontaneous and lacks in uniformity. As a result, co-operatives in each sector are organised as follows:

- associations for general services without commercial objectives. The task of these organisations is to represent the member co-operatives to the outside world, to supply technical, economic, judicial and other advice, publicity, etc. An example of this kind of sector organisation can be found in the sector of dairy co-operatives, auctions, sales of seed and seed potatoes, letting of agricultural and horticultural machinery, grass drying, mutual insurance, A.I. and other services;

- central co-operatives with a commercial objectives. These secondary umbrella co-operatives in principle act for their member co-operatives in the same way as the member co-operatives act for their member farmer/growers. In addition, they obviously also look after the general interests of the members. Examples of the central co-operatives are to be found as banks, in the dairy, purchasing, cattle sale and meat processing sectors.

A third possibility is that as a result of progressive concentration in a certain sector, there are only one or two co-operatives which are still functioning. This applies to the sugar industry, the potato flour and flax industry, poultry slaughtering and the sale of wool

In other branches there are transitional forms and combinations of the above-mentioned forms of organisation.

Representation

- **National co-operative council for agriculture and horticulture**

The central sector organisations and large primary co-operatives mentioned in the above paragraph are nearly all, in total 23, members of the national co-operative council for agriculture and horticulture in the Hague (NCR). Since 1971, the three central agricultural organisations have also been members of this body which was set up in 1934 and which now has 26 members.

The objectives of the NCR are according to its statutes:

- the promotion of co-operation and other similar forms of economic forms of co-operation by Dutch farmers and growers;

- looking after the interests of members, in particular by acting as the representative and co-ordinating body of Dutch agricultural and horticultural co-operation, by means of:

  - co-operating in the policy formation for general agricultural and horticultural affairs;

  - promotion for putting this policy into effect, in particular if the policy is aimed at strenghtening the market position of agriculture and horticulture in the widest sense of the word,

with due regard for the specific tasks of agricultural and horticultural organisations and co-operatives.

The NCR attempts to achieve this objective by means of supplying information on co-operatives and by making propaganda in favour of co-operatives, by advising the government and if necessary by submitting requests to the government, by studying questions which directly or indirectly affect the interests of members, by promoting contact between members, by appointing representatives to other organisations and bodies, etc. The executive of the NCR is appointed by the General Assembly. The executive in its turn appoints the director/secretary.

- **Other organisations**

In addition to the NCR, mention should be made of the central association of co-operative trade and the central association of co-operative industry. These two associations have been established since about 1950 for the purpose of representing the interests of co-operatives when the public law organisation of the enterprise was established. The central associations also represent their members on many bodies and committees which have been established by the government and by industry. Some regional roman catholic farmers' and growers' associations have set up co-operative services for providing information to and about agricultural co-operatives. In this field, there are four institutes for agricultural co-operation in the provinces of Friesland, Groningen/Drente, Gelderland/Overijssel and West-Nederland. These institutes and services concentrate in particular on information and on training intermediate management for local and regional co-operatives. Several central co-operatives also concern themselves with training for management.

ECONOMIC SIGNIFICANCE

General significance

In 1970 approximately 60 per cent of the total value of production of agriculture and horticulture in the Netherlands was sold through co-operative enterprises in their natural state or as processed products.

The co-operative share in the dairy sector is particularly large: total value of production of milk in 1970 was 3,200 million guilders of which 88 per cent was sold to co-operative factories. In the other sectors, approximately 50 per cent of the products were sold or processed through the co-operatives.

This percentage obviously varies from sector to sector as is shown in the following table.

Agricultural and horticultural co-operatives in the Netherlands

Sector	Number of co-op. on 1.1.74	Turnover production	Co-op. % of market			
			1948	1958	1970	1973
Credit	1,133	Money banked with savings banks	37	40	41	42
Buying-in	± 480	Cattle-fodder turnover	29	43	51	52
		Fertilizer turnover	61	63	± 61	± 61
PROCESSING						
Dairy	68	Milk deliveries	84	82	86	87
		Butter production	85	83	90	93
		Cheese production	86	87	89	92
		Milk powder	80	80	87	89
		Condensed milk	29	54	67	76
		Sale of liquid milk	40	42	± 70	74
Cattle and meat	2	Slaughtered pigs	17	23	27	27
		Slaughtered cattle	11	17	17	20
		Slaughtered calves	19	8	8	1
		Sheep and lambs	-	-	-	18
Sugar	1	Processed sugar beet	59	63	63	63
Manufacturing potatoes	1	Processed manufacturing potatoes	83	83	80	80
Flax	1	Processed flax	9	14	-	20
Poultry for slaughter	1	Slaughtered chickens and broilers	-	13	-	± 25
SALES						
Dairy products	3	Butter sale	54	59	80	76
		Cheese	35	46	63	67
		Milk powder	27	38	56	51
Eggs	± 15	Marketed eggs	38	32	19	17
Vegetables and fruit	71	Marketed vegetables	-	-	83	84
		Marketed fruit	-	-	79	82
Flowers and plants	± 15	Marketed flowers and plants	60	67	82	78
Wool	1	Intake of wool	75	87	± 90	± 90
Consumption and seed potatoes	(1) 10	Sold consumption potatoes	2	3	-	3) 26
		Sold seed potatoes	33	39	41	x) 50
Cereals	2)	Sales domestic cereals	± 30	± 50	± 60	± 60
SERVICES						
Agricultural machinery renting	128	Contract work	8	± 9	± 10	± 10
A.I.	55	A.I. Cattle and pigs	100	100	100	100
Co-op. book-keeping offices	19	Farmers and growers who qualify	16	24	-	-
Grass drying	13	Production	45	56	63	59
Help on enterprise	174	Help on enterprise	-	-	100	100

1) 7 specialised co-operatives plus 3 central buying-in and sale co-operatives.
2) See buying-in. 3) Included sale on auction. Market share 1971. x) 1972.
- No data available.

Description of some sectors

• Credit

Since the merger in 1972 of two former central banks, the agricultural credit banks are represented by one central organisation. The co-operative credit organisation which forms part of this is the largest bank in the Netherlands and ranks amongst the larger banks in the world. Local banks have 600,000 members and at the end of 1972 total saving deposits amounted to 19,330 million guilders. The total joint balance of the local banks and central banks was 27,000 million. There were 1,187 local banks which together had 3,072 branches and 17,568 personnel at the end of 1972.

• Buying-in

The three umbrella co-operatives in this sector have approximatively 650 local and regional buying-in and selling co-operatives as members, of which 400 have their own enterprise and of these 400, 190 have their own animal feed factory. In 1971/72 the joint turnover of the central co-operatives alone - excluding local co-operatives which are members, was 2,300 million guilders. The central buying-in co-operatives have common interests in several activities in enterprises. They also participate in a common institute of agricultural co-operatives and the central agricultural organisations for the control on and the development of the quality of cattle feed.

• Dairy

Concentration in this sector is rapidly progressing. The number of co-operative dairy enterprises has fallen from 247 in 1965 to 60, i.e. a reduction of 72 per cent. The number of enterprises which were run by these co-operatives fell from 326 to 200, i.e. by 42 per cent. The quantity of milk which was received on average per enterprise rose in that same period from 20.5 to 107,0 million kg and the quantity of milk received on average per factory rose from 16.6 to 36.0 million kg. Of the total milk deliveries to co-operatives, 85 per cent is processed by 15 co-operative enterprises.

The vast majority of dairy co-operatives are members of one of the three co-operative dairy sales associations which are specialised in selling abroad as well as within the country. Processing and sales co-operatives each have an organisation which represents their interests and these are increasingly working together.

• Cattle and meat

The two co-operatives in this sector had more than 49,000 members at the end of 1972. They manage 6 abattoirs which are their own and in addition, cattle are slaughtered for them in 16 local authority abattoirs. According to the most recent figures, these two co-operatives received in 1972 more than 28 per cent of all pigs for slaughter, 9 per cent of all calves, nearly 20 per cent of all cattle for slaughter and 15 per cent of sheep and lambs.

• **Sugar**

As a result of mergers, there is only one co-operative in this sector which has 6 factories. This co-operative participates in many industrial and commercial enterprises, and in one of these jointly with the non-cooperative sugar enterprise.

Its plants processed more than 3 millions tons of sugar beets in 1972, being about 63 per cent of the national total. This percentage has been constant for many years as a consequence of a rationing system between the co-operative and the non-cooperative enterprise.

• **Potato flour**

In 1971, the 10 independent potato flour factories merged together with their umbrella co-operative into one co-operative, and in addition two German co-operatives are members of this single co-operative. This co-operative has 5 factories for the production of a great variety of products and 6 sales offices abroad.

• **Poultry for slaughter**

At present there is only one co-operative for poultry for slaughter which has a number of enterprises. Jointly with the egg sales and buying-in and sales co-operatives it manages the co-operative poultry breeders' institute which, together with the Boerenbond in Belgium, participates in the hybrid poultry breeders' co-operative (Hypeco).

• **Fruit and vegetables**

The representative organisation in this sector determines to a large extent the quality, sorting and packing of horticultural products which are sold through auction. Nearly all auctions in the Netherlands are co-operatives: 99 per cent of sales of vegetables and 96 per cent of sales of fruit through auctions are co-operative sales. The auctions in the three major horticultural centres in the Netherlands, North and South Holland and Limburg, together represent nearly 70 per cent of the total turnover. Recently, the central office for horticultural auctions (CBTV) has participated as a minority share-holder in export enterprises.

• **Flowers and plants**

The major part of the production in this sector is also sold through auctions. One of these which was the result of the merger in 1972, handles nearly 40 per cent of the total turnover. The second largest represents nearly 31 per cent. The total value of production of cut flowers and pot plants in 1972 was 826 million guilders, and 661 million guilders (80 per cent) was sold through auction. Nearly all auctions are co-operative (97 per cent of their turnover).

• Artificial insemination

In 1972 there were 74 associations for artificial insemination of cattle and 5 for pigs. As a result of a regulation, A.I. is provided practically exclusively through forms of enterprises which can be regarded as co-operatives.

• Farm accounts offices

These handle the administration and tax declarations of the member farmers and growers.

• Help on the enterprise

This recent branch of co-operation supplies a stand-in for the head of the enterprises in case of illness, accident and (sometimes) holidays.

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REGIONAL

Meeting of Ministers for the Protection of Crafts, N'djamena (Chad), 15-18 February 1977

In compliance with the recommendation of the national officials responsible for crafts, who met in the International School in Bordeaux in 1975, and with the approval of the November 1976 meeting of the Board of Directors, the General Secretariat of the Agence de coopération culturelle et technique (ACCT) (1) convened at N'djamena from 15 to 18 February 1977, at the invitation of the Chad Government, an important meeting of Ministers for the Protection of Crafts, to establish a crafts policy for the ACCT and to determine the sectors to be given priority.

The Ministers for the Protection of Crafts of Benin, Burundi, Chad and Gabon attended this meeting, at which there were also representatives from Belgium, Cameroon, Canada, Central African Republic, Congo (People's Republic), France, Haiti, Ivory Coast, Mali, Mauritius, Morocco, Niger, Quebec, Senegal, Togo and Upper Volta. Observers from the European Economic Community and the ILO also were present.

The agenda included items on "The Crafts Policy of the ACCT (sectors selected, priority aspects of training, objective of mutual understanding)" and "The Application of this Policy (ACCT's promotion role, the carrying out of studies and giving of advice, technical assistance, priorities in the extension and promotion of crafts)".

The following conclusions and recommendations were adopted:

I. CRAFTS POLICY FOR THE ACCT

Having heard the recommendations of the meetings of experts and technicians from member States of the ACCT in Monastir, Tananarive and Bordeaux, which they fully approved,

Convinced of the importance of crafts in ACCT member States as an economic and cultural factor for development and the maintenance of a national character,

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(1) ACCT, 19 Avenue de Messine, 75008 Paris, which organised this meeting in collaboration with the Chad authorities.

Aware that responsibility for the conception and organisation of crafts in these States is primarily the responsibility of governments, and that the ACCT's resources for the promotion of this sector are limited,

Delegates decided to adopt the following conclusions and make the following recommendations:

Sectors for action by the ACCT

(a) ACCT's craft policy must extend the national policies and be based on factors common to the whole system. It is therefore important for the Secretariat to bear this in mind when taking action, so as not to privilege one sector in relation to another. Crafts are an important economic factor in every country and the promotion of craftsmen is a national priority. Moreover, it is important for each State to establish a plan fixing the priorities for crafts;

(b) delegates welcome the guidelines adopted by the ACCT at Mauritius in 1975 and hope that its crafts policy will take into account the priority which must be given to the rural sector, from which the majority of craftsmen have sprung in the member countries;

(c) delegates stress the need to give attention both to assistance for craft work and to the appreciable need for the prospection of regional and international markets to develop outlets for craftsmen's products. It would be desirable, in this connection, that governments take measures to facilitate the entry and circulation of craft products on their territories;

(d) in order to protect traditional forms of craft and to improve the quality of expression of craft products, which reflect the community from which they emerge, the ACCT is asked to contribute to the creation of a climate propitious for research and the respect of authenticity in craft work by drawing up inventories and carrying out censuses which will conserve a large heritage for future generations. These measures will encourage a return to authentic sources and in particular discourage, by elimination, the production of shoddy goods.

Training

Delegates recognise that the basic training of craftsmen is a responsibility of States. However, the ACCT can and should act in the following sectors:

. instructor training (using existing structures such as CEPAM in France);

- the further training of master craftsmen, preferably in their own environment, with emphasis on management training needs. The General Secretariat should take the foregoing factors into account during the current study and evaluation of training by the ACCT and outside the International School in Bordeaux;

- a survey of the training potential in States, suitable for achievement of the objectives indicated above.

Mutual understanding

Delegates stressed the importance of disseminating information and exchanging experience regarding crafts, as a means of improving mutual understanding between ACCT member States. This is a facet of the ACCT general task of making States aware of the national cultures of the other States.

II. APPLICATION OF THE POLICY

The ACCT's promotion role

Delegates welcome the convening by the ACCT of this meeting of the Ministers for the Protection of Crafts and hope that it will continue to support national action by the following means:

- assisting in the drawing up of national craft plans;

- the promotion of certain major support projects (ILO, UNIDO);

- participation in certain significant operations chosen carefully so as to avoid the spreading of effort too thinly and to increase impact by concentration;

- encourage the participation of other international organisations in the carrying out of larger-scale projects;

- encourage States to draw up national plans.

Studies and advice

Delegates emphasised the importance of this function, which should agree with the priorities adopted in the various sectors. Moreover, these activities should be carried out in such a manner as to stimulate the setting up of national structures where they do not already exist and increase output from those already in operation.

These objectives can be attained by technical co-operation adapted to the environment which it is intended to serve and designed to improve the status of craftsmen.

The meeting invites the Secretary-General to contribute with other specialised agencies in the protection of craftsmanship (seal of quality).

It is resolved that the ACCT, within its existing structures and programmes, shall endeavour to stimulate research on the arts and crafts of member States, during all periods, to encourage the governments themselves to develop this research, to collect existing and future documentation and to disseminate knowledge in this field.

This action will depend on the initiative and co-ordination practised by the ACCT and on the national programmes which member countries decide to establish.

The General Secretariat of the ACCT is requested to submit a report on the application of these recommendations to the next General Conference.

Priorities in the dissemination of information

Delegates invite States to supply the General Secretariat with the information needed regarding crafts, for the establishment of the following inventories:

- national craft policies (level of organisation of existing structures, production and training);
- a census of artisans with the co-operation of other national and international organisations having similar objectives.

Regarding publication and audio-visual activities, the Secretariat General is requested to avoid the production of ill-adapted or over-sophisticated instruments. It should ensure wide dissemination of written, sound or audio-visual documents relating to the craftsmen themselves.

Delegates consider that the promotion of crafts amongst young people using information media (films, slides, etc.) is a national responsibility but that the ACCT can contribute to this activity.

French original

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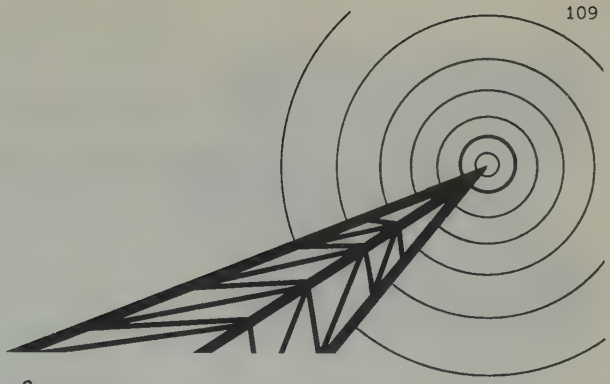
Practical
INFORMATION



Radio Broadcasts of the Gambian Co-operative Training and Education Service

The Gambian co-operative movement was created in 1955. There are 70,000 members, i.e. around 60 per cent of the rural population or 15 per cent of the total population (493,000 inhabitants in 1973). In 1974 and 1975, the groundnut co-operatives handled 60,624 T, i.e. 44 per cent of the national crop. In the same year, credits granted to agricultural co-operators amounted to 4 million Dalasis (2.30 Dalasis = 1 dollar US) and loans on future harvests to D 2.5 million. To what extent education and training is necessary for co-operative members and staff is shown by the large number of members and the size of their operations.

Until 1973, no specialised co-operative education and training unit existed within the Gambian Department of Co-operation. Once this unit was created, it started to organise training sessions for administrators and staff, film shows and, as from 1975, radio programmes broadcast in the two languages spoken in Gambia: Wollof and Mandinka. The broadcast went out weekly and lasted half an hour.

The education and training unit of the Gambian Department of Co-operation published, in English, the texts of the broadcasts made in 1975 and 1976, the titles of which are as follows:

Programmes for 1975

- The necessity for membership education in the co-operative movement
- Bonuses
- Subsistence credit
- Annual accounts
- The role of thrift and credit societies in the economy
- Pre-trade season arrangements
- Questions and comments from listeners
- Relationship between the co-operative societies at the local level, the Gambia Co-operative Union, and the Department of Co-operation
- Early evacuation
- Co-ownership of a co-operative society
- Committee members

- Gambia Co-operative Union, annual general meeting 15 November, 1975
- Members' duties to their co-operative society and societies' obligations to their members
- Groundnut buying, loan repayments and evacuation
- By-laws

Programmes for 1976

- Arbitration
- Subsistence credit
- Questions from co-operators I
- Thrift and credit societies I
- Loan distribution
- Post-trade season activities I
- The committee
- Questions from co-operators II
- Post-trade season activities II
- Agricultural pilot project
- Questions from co-operators III
- Thrift and credit societies II
- New subsistence credit arrangements
- Questions from co-operators IV

The first brochure contained 26 pages and the second 34.

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Note from the Editor

We wish to thank the person in charge of the co-operative education and training unit of the Department of Co-operation of the Gambian Republic as well as the Registrar of co-operatives for having allowed us to reproduce in this bulletin the titles of the radio broadcasts organised now for the past two years. It has seemed to us that, because of their precision and simplicity, they were worthy of being brought to our readers' attention.

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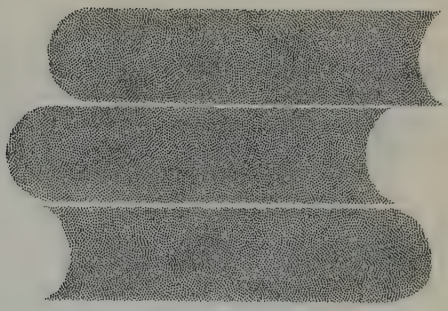

Publications issued by the Education Department of the Co-operative Union (1)

The following titles of some of the publications issued by the Education Department of the Co-operative Union have seemed to us of interest for co-operators from other countries;

Periodicals

- Member Education Bulletin
- Co-operative Education (No. 1 was published in March 1977)
- Discussion Notes for Co-operative Education Groups (No. 23 of March 1977, is entitled "Co-operative Ideas at Work")
- Ways and Means for the Co-operative Group Leader
- Check for the Co-operative Consumer
- For the Director of a Retail Co-operative Society (No. 8 was published in March 1977)
- Case Studies of Co-operation in Action

Notes, reports and guides

- Notes on Workers Co-operatives (18 p. including 2 pages of bibliography)
- Notes on Housing Co-operatives (34 p.)
- Developing Membership and Leadership (2 reports of the Working Party on Co-operative Education set up in 1974)
- Consumer Activity in Co-operative Societies - A Report to Co-operative Education Convention (Easter 1977)
- National Consumer Project 1976-1977: "Discussion Guide" and "Leaders Notes" (3 topics for discussion: the press - a consumer view; the food we eat; public transport and the consumer)
- Positive Health: "Discussion Guide" and "Study Guide and Group Exercises" prepared to assist Co-operative Auxiliary Group Members to study the National Health Service - the topic for 1976-1977 chosen by the National Co-operative Joint Auxiliaries' Council

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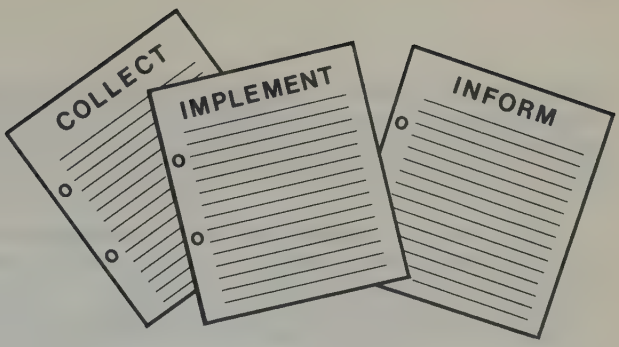
(1) Stanford Hall, Loughborough, Leicester, LE 12.5 QR, United Kingdom.

Bibliography: for 1975-1976, it contains two parts:

- books published by the Co-operative Union (72 titles)
- selected books issued by other publishers but available at the Co-operative Union Library

Catalogue of films

- 21 films for loan (restricted to the United Kingdom).



TECHNICAL INFORMATION NOTES WITH RESPECT TO AGRICULTURAL AND RURAL DEVELOPMENT

The Research Working Group on Rural Techniques (GRET), a non-profit making organisation, was set up in 1975 by agronomists specialised in problems of developing countries who, through their participation in development projects, became increasingly aware of the difficulty there is to transfer appropriate technologies from one project to another, and from one country to another.

Agriculture was the first sector of activities in which GRET chose to initiate its activities. Early in 1975, GRET was approached by Guatemalan organisations concerned with the reconstruction of the country after the earthquake, and it then became apparent that its activities should be extended beyond the sole agricultural sector. At the beginning of 1977, a department "Habitat and Construction" was added to the already existing departments "Agriculture" and "Agri-food Industries".

The objectives pursued by GRET are the following:

- to establish contacts with persons, groups or bodies concerned with problems of technology adapted to the development of rural areas;
- to collect as much information as possible on such technologies by calling on technical experts, but also on students, teachers and all other persons concerned;
- to place at the disposal of development technicians all such information which has been collected and which can be of assistance to them in their activities in the field;
- to develop all activities in the field of information, training or "animation" related to technological problems.

The scope of GRET's activities is restricted, within the field defined as "appropriate technologies", to tools and techniques more

particularly related to agricultural and rural development; as a rule, the maximum attention is attached to local traditional technical knowledge and materials, as well as to the available human resources, and to the ecological, socio-economic and cultural constraints. Thus, GRET aims at

- placing at the disposal of interested persons the information which does already exist but which still remains unknown;

- publicising - and indeed instigating - research on appropriate technologies on the basis of present scientific knowledge.

GRET's structure includes, in addition to the General Assembly of its members (natural and legal persons), to its Board (assisted by a scientific council), the following

- a Secretariat, composed of

  - technical services: documentation, codification (two units: encyclopedic card index for written material, and "technomedia" for audio-visual supports); and dissemination of information (also two units: requests for information and replies, and development of, and liaison with, the communication network on development activities),

  - logistic services: translation, secretariat, library,

- thematic research units: at present informal and decentralised, they are formed of persons interested in problems related to the technological adaptation to conditions in developing countries in a specific sector and carrying out research either in their own unit or in collaboration with other units concerned with the same topic. The result of their research is sent to the person who has requested the information as well as codified in the form of notes prepared by the secretariat for circulation through the communication network on development activities;

- a "communication network", as mentioned above: equally informal, it is composed of technical experts operating in the field, of researchers, of teachers or students who have applied for GRET membership, specifying the sectors on which they can provide information, on the one hand, and on the other, those on which they are likely to request information. These persons are automatically brought into contact with members of the existing thematic research units dealing with the problems on which they either wish to receive information or carry out research. When such units do not yet exist, the information is filed appropriately so as to allow new research units to be created and then integrated into the network.

Research units and a communication network already exist in industrialised countries as well as in developing countries.

GRET has chosen the "technical note" system as a means for conveying information; these notes do not aim at providing a solution to a given problem, but rather at providing the user, in a condensed and manageable form, with information which will help him to orient his research and solve his problem.

The following five categories of notes are to be established:

- an **introductory** note (to GRET and to its activities, etc.);

- a **technical** note, describing a technique or a specific tool or implement and including

  - a simple identification of the item,
  - a filing reference and addresses where additional information can be obtained,
  - the origin of the technique, tool or implement,
  - an indication of the environment in which either one or the other has been used,
  - a description, occasionally illustrated with simple diagrams;

- an **index** including the names and addresses (by country and by subject) of the groups, institutions or specialists concerned with appropriate technologies for development, lists of manufacturers, bibliographies (by subject), detailed data concerning certain important bodies which can provide services (preparation of audio-visual aids, for example);

- a **case** note, including information as complete as possible on a specific case where an elementary development experience has been achieved, whether successfully or not, with particular emphasis on those factors which can be of use to other technicians;

- a note on **methodology**, including methodological information on diversified subjects in order to provide development practitioners with simple and directly applicable elements.

The reproduction of these notes, which bear the name and address of their "author", is unrestricted for members of the network.

Readers will find hereunder the titles of the 153 technical notes which have already been established by GRET (in French only):

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* *

1 - Construction d'étangs (building of ponds)
2 - Deux reines dans une ruche (two queens in one bee-hive)
3 - Purification et blanchiement de la cire (refining and whitening of wax)
4 - Ruches installées dans les arbres (placing bee-hives in trees)
5 - Protection des ruches contre les prédateurs (protection of bee-hives against predators)
6 - Comment empêcher la reine de pondre dans les hausses (how to stop a queen bee from laying its eggs in the upper tray of the hive)
7 - Elevage de reines et de faux bourdons (breeding of queen bees and of drones)
8 - Utilisation de la propolis (utilisation of the propolis)
9 - Niveleuse à lame (single blade grader)
10 - Machine à traction animale - La K-NDL (animal traction: the K-NDL)
11 - Niveleuse à godet (scoop grader)
12 - Planches de semis adossé (seedling trays)
13 - Drague en "V" (V-shaped dredger)
14 - Niveleuse à deux lames (double-blade grader)
15 - Cultures associées tropicales (related tropical crops)
16 - Chaudière pour eau potable (heater for drinkable water)
17 - Canalisation en bambou (bamboo drains)
18 - Filtre à sable horizontal (horizontal sand screen)
19 - Pompe à soufflets (air pump)
20 - Pompe à chapelet (chain pump)
21 - Réservoirs ensablés (reservoirs inlaid in sand)
22 - Filtre à sable à flux montant (sand filter)
23 - Citerne en ciment (cement reservoir)
24 - Silo artisanal (locally-made silos)
25 - Silo "Pusa" ("Pusa" silo)
26 - Cellule en buse de béton (cell with concrete nozzle)
27 - Décortiqueur d'arachides (ground-nut shelling)
28 - Séchoir roulant (rotating drier)
29 - Presse à foin (hay bailer)
30 - Compost procédé Indore ("Indore" process for the preparation of compost)
31 - Techniques de compostage en cordon (compost-making in rows)
32 - La méthode "Müller" ou le compostage de surface (surface compost: the "Müller method)
33 - Elevage intensif des vers de terre (intensive earthworm breeding)
34 - La méthode Lemaire-Boucher (the "Lemaire-Boucher" method)
35 - La méthode Pain ou le compostage de broussailles (the "Pain" method for brushwood compost)
36 - Construction d'une aire de compostage en cordon (preparing surface for compost-making in rows)
37 - Mesure de débits (output measurement)
38 - Construction d'un puits profond par creusement manuel (building of a hand-dug surface shaft)
39 - Réservoirs type Botswana (reservoirs of the Botswana type)
40 - Dalle à la turque avec siphon hydraulique (Turkish toilet with mechanical flush)

41 - Cabinet à compost "le Biopot" (latrine with "Biopot" compost)
42 - Chloration de l'eau (water chlorination)
43 - Pompe à tube (tubewell pump)
44 - Cabinet à fosse (pit latrine)
45 - Cabinet à eau (flush toilet)
46 - Puits perdu et irrigation subsuperficielle (dead well and subsuperficial irrigation)
47 - Dalle à la turque simple (simple Turkish toilet)
48 - Dalle avec siphon hydraulique (Chiengmai) (flat stone with hydraulic trap (Chiengmai))
49 - Moule de buses pour puits (mould for well-pipes)
50 - Puits busés : type Rasulia et Barpoli (tubed wells of the "Rasulia" and "Barpoli" types)
51 - Pompe solaire SOFRETES (solar pump SOFRETES)
52 - Chauffe-eau solaire (Brace Institute) (solar water-heater (Brace Institute))
53 - Chargement en continu avec pompe - Energie du gaz biologique (continuous feeding - use of methane)
54 - Chargement en continu grande capacité - Energie du gaz biologique (continuous loading/large capacity - use of methane)
55 - Chargement en discontinu - Energie du gaz biologique (intermittent loading - use of methane)
56 - Chargement en continu petite capacité - Energie du gaz biologique (continuous loading (small capacity - use of methane)
57 - Fermenteur expérimental à déplacement - Energie du gaz biologique (mobile fermenting machine - use of methane)
58 - Fabrication de briques - Présentation de la machine CINVA-RAM (manufacture of bricks - description of the CINVA-RAM machine)
59 - Fabrication de briques - Utilisation de la machine CINVA-RAM (manufacture of bricks - utilisation of the CINVA-RAM machine)
60 - Fabrication de briques - Choix de la terre (manufacture of bricks - choice of clay to be used)
61 - Construction d'un moule métallique pour drains (manufacture of a metallic mould for drain-pipes)
62 - Construction d'un moule en bois pour drains (manufacture of a wooden mould for drain-pipes)
63 - Fabrication de drains pour irrigation et drainage (manufacture of drains for irrigation and drainage)
64 - Réseau d'irrigation et de drainage en potager (irrigation and drainage for vegetable garden)
65 - Utilisation de méthodes biologiques contre la salinité (utilisation of biologic systems against salinity)
66 - Paillage et salinité (mulching and salinity)
67 - Empierrage et salinité (rocks and salinity)
68 - Viticulture en milieu tropical - Taille de production (tropical viticulture - pruning for production)
69 - Viticulture en milieu tropical - Taille de formation (tropical viticulture - pruning for "espalier" shaping)
70 - Viticulture en milieu tropical - Taille de formation - Système Pergola (tropical viticulture - pruning for "pergola" shaping)
71 - Viticulture en milieu tropical - Multiplication par boutures (tropical viticulture - propagation by cuttings)
72 - Viticulture en milieu tropical - Pépinière (tropical viticulture - seed beds)

73 - Viticulture en milieu tropical - Lutte contre les prédateurs (tropical viticulture - fight against predators)
74 - Oenologie en milieu tropical - Préparation d'un levain (tropical oenology - preparation of leaven)
75 - Oenologie en milieu tropical - Fabrication d'une petite cuve de réfrigération (tropical oenology - preparation of a small refrigerating vat)
76 - Oenologie en milieu tropical - Matériel rudimentaire de vinification et de conservation (tropical oenology - simple vinification and conservation equipment)
77 - Viticulture en milieu tropical - Irtigation appliquée ; système du goutte à goutte (tropical viticulture - overhead irrigation)
78 - Viticulture en milieu tropical - Désinfection des graines de petite taille (tropical viticulture - seed disinfection)
79 - Prise d'eau et de fontaine publique en bambou (water-tap and public bamboo fountain)
80 - Canalisation en bambou : embranchements et coudes à 90° (bamboo drains: branch-pipes and bends at 90°)
81 - Construction d'un aqueduc à partir de canalisations en bambou (building of a culvert from bamboo drains)
82 - Unions d'élements en bambou - 1 - Union de poutres et de colonnes (joining bamboo elements, 1. Joining beams and pillars)
83 - Unions d'élements en bambou - 2 - Union de poutres et de colonnes (joining bamboo elements, 2. Joining beams and pillars)
84 - Pompe à corde (lift pump)
85 - Hydro-pompe Vergnet ("Vergnet" hydraulic pump)
86 - Fabrication d'un bras de pompe (making a pump-handle)
87 - Petit chauffe-eau solaire (small solar water-heater)
88 - Fabrication de savon (soap manufacturing)
89 - Latrine à trou foré (pit latrine)
90 - Transmission de l'énergie d'une roue hydraulique (transmission of energy produced by water-wheel)
91 - Grande roue hydraulique (large water-wheel)
92 - Roue hydraulique en bambou (bamboo water-wheel)
93 - Siphon pour irrigation (irrigation trap)
94 - Utilisation du bambou - Traitement du bambou (1) (utilisation of bamboo - treatment of bamboo (1))
95 - Utilisation du bambou - Traitement du bambou (2) (utilisation of bamboo - treatment of bamboo (2))
96 - Constructions de meubles en bambou (making bamboo furniture)
97 - Fabrication de bacs pour la culture des légumes en région saharienne (manufacture of special containers for vegetable cultivation in the Sahara region)
98 - Technologie de fabrication de la pâte de dattes (how to make date paste)
99 - Fabrication de fumoirs (building smoke-houses)
100 - Protection de palmeraies contre le vent (protection of palm plantations against wind)
101 - Pompe Salawe ("Salawe" pump)
102 - Système de collecte de l'eau de pluie (Arizona) ("Arizona" method for collecting rain water)
103 - Technologie de fabrication du sucre de la sève de palmier (making sugar from palm sap)

104 - Alimentation des abeilles (bee-feeding)
105 - Abreuvoirs pour abeilles (drinking-troughs for bees)
106 - Nourrisseurs pour abeilles (bee-feeders)
107 - Essaimage artificiel (artificial swarming)
108 - Essaimage naturel des abeilles (natural swarming)
109 - Comment attirer un essaim - Comment faire accepter de nouvelles ruches aux abeilles (how to attract a swarm of bees - how to induce bees to settle in new hives)
110 - Transvasement d'une colonne d'abeilles d'un habitacle naturel à une ruche à cadres (transfering a natural honeycomb to a frame-hive)
111 - Emplacement des ruches et ruchers (choice of site for bee-hives and apiaries)
112 - Disposition des ruches pour éviter la dérive des abeilles (how to place bee-hives in order to prevent bees from drifting)
113 - Précautions à prendre pour le transport des ruches (precautions to be taken in transport of bee-hives)
114 - Revêtements des ruches en bois (coating wooden bee-hives)
115 - Quelques types de ruches connues (some known types of bee-hives)
116 - Fabrication de ruches en section (building bee-hives in sections)
117 - Construction d'une ruche à cadres (building a frame-hive)
118 - Récolte du pollen (collecting bee-bread)
119 - Chasse-abeilles pour la récolte du miel sans piqûres (protection against stings while harvesting honey)
120 - Les ennemis des abeilles (bees' enemies)
121 - Maladies du couvain et traitements préconisés (diseases of the brood-comb and prescribed treatment)
122 - Maladies des abeilles et traitements préconisés (bees' diseases and prescribed treatment)
123 - Anesthésie des abeilles (anaesthesia of bees)
124 - Principes et facteurs de la méthanisation (principles and factors of methanisation)
125 - Le fermenteur rotatif de la maison au méthane (the household methane fermentation rotating tank)
126 - Utilisation du gaz biologique comme carburant dans les moteurs à essence (utilisation of methane as fuel for motors)
127 - Aménagement de sources (equipment of water springs)
128 - Pompe improvisée (improvised pump)
129 - Pompe Humphrey ("Humphrey" pump)
130 - Sucrerie artisanale - fabrication du Gur (small-scale sugar plant: preparation of "gur")
131 - Sucrerie artisanale : petit broyeur à cannes (small-scale sugar plant: small cane-crushing mill)
132 - Sucrerie artisanale : bels à pan unique (small-scale sugar plant: one-sided "bels")
133 - Traitement artisanal de l'huile de palme - Stérilisateur à feu nu - Petit clarificateur continu (small-scale processing of palm oil - Open fire sterilizer - small continuous clarifier)
134 - Appareil simple pour la distillation solaire (simple machine for solar distillation)

135 - Pompes solaires Guinard ("Guinard" solar pumps)
136 - Distillation solaire (solar distillation)
137 - Organisation d'un atelier de conditionnement (installation of a grading workshop)
138 - Produits dérivés de la datte (products derived from dates)
139 - Habitat en bambou - Plancher - Structure de murs (bamboo habitation floor/walls)
140 - Habitat en bambou - Toit à deux pentes (bamboo habitat: double slope roof)
141 - Habitat en bambou - Toit à quatre pentes - Détails de montage (bamboo habitat: 4-slope roof (detailed instructions for building))
142 - Bélier hydraulique (hydraulic ram)
143 - Comment se débarrasser des porcs-épics (how to get rid of porcupines (hedgehogs))
144 - Confection des planchettes de bois - Tranchage (how to make small wood planks: slicing of wood)
145 - Entretien des routes - Lutte contre la formation de tôle ondulée (maintenance of roads - how to prevent the wash-board effect)
146 - Préparations traditionnelles de vin et de bière de banane (traditional preparation of banana wine and beer)
147 - L'utilisation traditionnelle des céréales au Sahara (traditional utilisation of cereals in the Sahara)
148 - Techniques traditionnelles de stockage des céréales au Sahara (traditional techniques for storing cereals in the Sahara)
149 - Diagramme de fabrication des beurres et fromages dans les oasis (butter and cheese-making in the oasis)
150 - Traitement des figues (processing of figs)
151 - Utilisation des peaux (utilisation of skins)
152 - Le Pyrèthre insecticide (Pyrethrum as an insect powder)
153 - Techniques de compostage en couloir avec parois de soutien (compostmaking in channels between partitions)

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Price: 8 Swiss francs